

LEASE AGREEMENT

Lease Agreement made as of the _____ day of _____, 2021, by and between the PERCH POINT LLC, a Wisconsin limited liability company, (hereinafter referred to as "Tenant"), and the CITY OF MILWAUKEE, a Wisconsin corporation, by and through its Board of Harbor Commissioners (hereinafter collectively referred to as the "City").

W I T N E S S E T H :

City hereby leases, demises and lets unto Tenant the following parcel of real property comprised of approximately 0.87 acres (hereinafter referred to as the "Property"), located on the South Harbor Tract of the City of Milwaukee.

Parcel 1: Comprised of approximately 0.87 acres on the South Harbor Tract of the City of Milwaukee, approximately located at 2452 S. Lincoln Memorial Drive.

The Property included in this lease is more particularly described in Exhibit A which is affixed hereto and incorporated into this document by this reference.

This Lease is entered into by the parties under the following terms and conditions:

1. **Term.**

The term of the Lease Agreement shall be a term of TEN (10) years, commencing on November 1, 2021 and ending on October 31, 2031.

BASE: November 1, 2021 – October 31, 2031

A) Extension of Lease Term: The term of this lease may be extended for four successive periods of ten (10) years each upon Tenant providing written notice to City of its intention to exercise its right to extend the term of this Lease at least 12 months prior to the end of the term to be extended.

OPTION 1: November 1, 2031 – October 31, 2041

OPTION 2: November 1, 2041 – October 31, 2051

OPTION 3: November 1, 2051 – October 31, 2061

OPTION 4: November 1, 2061 – October 31, 2071

2. **Rent.**

A) During the term of this Lease Agreement, Tenant shall pay, as base rent, for the use of the real property a lease rate of Twenty-Six Thousand and 00/100 Dollars (\$26,000.00) for 0.87 acres annually. Rent shall be paid quarterly, in arrears. Each rent payment shall be for the immediately preceding quarter. Notwithstanding the foregoing, base rent due for the first twelve (12) months of the term of this Lease shall be Fifteen Thousand Six Hundred and 00/100 Dollars (\$15,600.00).

B) On the fifth-year anniversary of this Lease Agreement November 1, 2026, and on subsequent 5-year anniversaries (e.g. November 1, 2031; November 1, 2036; November 1, 2041; etc.) rent shall be adjusted to the amount determined by applying the percentage increase if any, over the applicable 5 year period in the "All Commodities" line of the "Producer Price Indexes" (currently Series ID No. WPU00000000) published by the United States Bureau of Labor Statistics (or its successor organization).

In no event shall the new base rental, as adjusted, be increased less than 2.0% above the previous payment amount.

C) **Wharfage/Dockage.** In addition to foregoing rent, Tenant (or owners of vessels that dock adjacent to the Premises for the purpose of receiving shipments from Tenant) shall also pay wharfage and dockage monthly as determined by reference to the appropriate provision of, and rate established by, the Municipal Port Tariff, as may be in effect at the time that the charge is incurred. Tenant acknowledges it will provide detailed reporting, on no less than a monthly basis, of its use of the parcel, including applicable dockage and wharfage estimates.

3. **Records.** Tenant shall maintain complete, accurate and verifiable books and records of its business conducted on the property relative thereto, the form of such books and records shall be in accordance with generally accepted accounting principles and generally accepted auditing practices and other requirements of the Board of Harbor Commissioners and the City Comptroller as reasonably required to confirm Tenant's compliance with the terms of this Lease and which Tenant has been advised in writing in advance, in all instances to be made available to the Board of Harbor Commissioners and of the City of Milwaukee, at any reasonable time after request at Tenant's office, for audit or for such other inspection as may be deemed desirable by the City.

Tenant is required to provide the Municipal Port Director with an Annual Report, due February 1 each year, which, at a minimum, specifically addresses its Use of the Property and how Tenant continues to meet the Minimum Standards of Property Performance, as defined in Section 5. Photo documentation of physical improvements to the Property should be included as part of the Annual Report.

4. **Use of the Property.** Tenant shall use the Property for purpose of its green infrastructure design, ecological restoration, waterfront design, aquatic infrastructure and material handling business and other ancillary uses related to Tenant's business. Tenant may install a 10-12,000 square foot warehouse and office, signage, bridge crane, bulk material holding center, and other site developments as necessary for this use, subject to design approval of the Municipal Port Director. Tenant is responsible for updating and installing new utilities at the site, including fencing, water, sewer, gas, electric, telecom, etc. Tenant shall provide Port with as-built drawings, copies of permits, surveys, utility sketches, and other documents created as part of the work on the Property.

Tenant is further responsible for all costs associated with updating or replacing the steel sheet piling on the Port-owned dockwall at the Property, subject to approval by the Port/City prior to any work commencing on the steel sheet piling or the dockwall.

Tenant is responsible for maintaining or expanding public access to the adjacent fishing pier; however, the City will have responsibility for the upkeep of the fishing pier itself during the lease term. At a minimum, Tenant must keep public access to the fishing pier at the same level as exists as of the commencement of this Lease. Tenant's use of the Property shall not permanently hinder public access to the fishing pier. As necessary, and as related to the Tenant's maritime operation, Tenant may temporarily limit public access to the fishing pier for no more than 48 consecutive hours at a time and no more than 500

total hours per calendar year. All temporary restrictions shall be approved in writing in advance by the Municipal Port Director.

Tenant is responsible for the costs associated with the demolishing the existing structures.

All other improvements to the Property which are constructed by the Tenant shall be subject to the prior written approval of the Municipal Port Director, whose approval shall not be unreasonably withheld, conditioned or delayed. The cost of any and all improvements to the Property shall be borne solely by the Tenant.

Tenant agrees that all commodities stored on the Property shall be handled and stored in compliance with all federal, state, and local statutes, ordinances, and regulations.

Additional uses of the Property are not permitted without the prior written approval of the Municipal Port Director, whose approval shall not be unreasonably withheld, conditioned or delayed. Tenant acknowledges that it bears sole responsibility for making any determination with respect to the suitability of the Property for its intended uses. Other than in accordance with applicable laws, no hazardous materials will be handled at the Property.

During the term of this Lease, Tenant shall have the right to present proposed modifications to its use of the Property to the Port of Milwaukee and the Board of Harbor Commissioners. Should the Port of Milwaukee and the Board of Harbor Commissioners approve of the proposed modifications of Tenant's use of the Property, which approval shall not be unreasonably withheld, conditioned or delayed, then the Port of Milwaukee and the Board of Harbor Commissioners shall support Tenant's application with the City of Milwaukee for any needed City approvals necessitated by Tenant's change of use.

Except as provided elsewhere in this Lease, the cost of any and all improvements to the Property shall be borne solely by the Tenant.

5. Minimum Standards of Property Performance.

Beginning on or before November 1, 2024 and continuing through the term of the Lease, Tenant shall continually maintain a minimum of 6 full-time employees and 14 full-time "seasonal" employees during the growing season (i.e., April-December).

Tenant shall construct, occupy, and begin operation of the primary envisioned infrastructure, including a 10-12,000 square foot warehouse and office, signage, bridge crane, and bulk material holding center, on or before November 1, 2026, with a total Tenant development cost of approximately \$3,000,000.00.

Tenant shall update and install all required new supporting infrastructure and utilities at the site, including fencing, water, sewer, gas, electric, telecom, etc., on or before November 1, 2024.

Tenant shall provide at least two parking spaces on the Property exclusively for use by members of public using the fishing pier adjacent to the Property.

Tenant's violation, at any time during the term of the Lease, of any of the requirements of this section, shall be a default under Section 7 of this Lease.

6. Omitted.

7. **Occupancy Subject to Existing Easements and Restrictions.** Tenant's occupancy of the Property is subject to any recorded easements and restrictions of record.

8. **Termination and Vacation.**

A) **Termination and Vacation Date.** Tenant shall vacate the Property on or before the expiration of this Lease. The Property shall be returned to City by Tenant as level base ground in substantially the same condition in which it was received, normal wear and tear excepted. In the event that Tenant fails to vacate the Property in a timely fashion, City shall have the option to do any or all of the following: (1) cause the Property to be vacated; (2) charge Tenant twice (2x) the rent set forth in Section 2 of this Lease for all periods subsequent to the date of expiration of this Lease or of any agreed extension thereof; and (3) to assess and recover against the Tenant the actual costs of such vacation and any damages sustained by the City as a consequence of the Tenant's failure to timely vacate the Property.

B) **Property to be Vacated Clear of all Materials.** Tenant shall vacate the Property free and clear of all materials and equipment and of all above-ground improvements in accordance with Section 14 and in accordance with the Lease termination agreement to be entered into by Tenant and City upon the termination of the Lease. In the event that Tenant fails to vacate the Property in accordance with the terms of the Lease, as determined by City, after ten (10) days' written notice to Tenant, City shall have the option, at Tenant's cost, to 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.

C) This Lease may be terminated prior to the date of its stated expiration date by the mutual written consent of the Port Director and the Tenant.

9. **Default.** The occurrence of one or more of the following events shall be considered events of default under the terms of this Lease:

A) Tenant shall be adjudged a bankrupt, or a decree or order, approving as properly filed, a petition or answer asking reorganization of Tenant under Federal Bankruptcy Laws as now or hereafter amended, or under the laws of this State, shall be entered, 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; City may at its sole option extend the Lease term on a month-to-month basis in the event additional time is required for Tenant to vacate Property under this Section; or

B) Tenant shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant or purporting to be pursuant to the Federal Bankruptcy Laws as now or hereafter amended, or Tenant shall institute any proceedings or shall give its consent to the institution of any proceedings for any relief of Tenant under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, or reorganization and such petition or request for relief is not dismissed within sixty (60) days; or

C) Tenant shall make an assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Tenant and such assignment or appointment is not dismissed within sixty (60) days; or

D) Tenant shall abandon the Property for a period of thirty (30) days without written notification to the Port.

E) Tenant shall be delinquent in any rental or other payments due under this Lease and such delinquency shall continue for five (5) days after notice thereof in writing to Tenant; or

F) Tenant shall default in any of the other covenants or agreements herein contained to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; provided, however, if such default cannot reasonably be cured in such initial 30-day period, such 30-day period shall be extended as reasonably necessary for Tenant to completely cure the default, so long as Tenant commences the cure during the initial 30-day period and diligently prosecutes such cure to completion; or

G) Other than as permitted hereunder, Tenant shall make any assignment, sublease, transfer, conveyance or other disposition of its interest in the Property without the express written consent of City.

Upon occurrence of any one or more of such events of default, it shall be lawful for City, at its election in the manner and terms herein provided, to declare this Lease ended, and to recover possession of the Property, either with or without process of law, to enter and to expel, and remove Tenant and all agents, employees and representatives of Tenant engaged in operating the Property or occupying the Property, using such force as may be necessary in so doing. If default shall be made in any covenants, agreements, conditions or undertakings herein contained, to be observed and performed by Tenant, which cannot with due diligence be cured within a period of ten (10) days, and if notice thereof in writing shall have been given to Tenant, and if Tenant prior to the expiration of said ten (10) days from and after the giving of such notice, commences to eliminate the cause of such default and proceeds diligently and with dispatch to take all steps and do all work required to cure such default and thereafter does so cure such default, then City shall not have the right to declare the term of the Lease as ended; however, that the curing of any default in such manner shall not be construed to limit or restrict the right of City to declare this Lease ended and terminated, and to enforce all of City's rights and remedies hereunder for any other default not so cured.

10. Maintenance and Housekeeping.

A) City's Repairs & Maintenance. During the term the City will maintain and repair, at its own expense the fishing pier adjacent to the Property. The City will not be responsible for any repair or maintenance to the fishing pier caused by any act or omission of Tenant or Tenant's agents or assigns.

B) Tenant's Repairs & Maintenance. Tenant shall keep the Property and any dock areas servicing the Property in a clean and sanitary condition, and shall keep the common parking areas, access roads, driveways, aprons, and loading areas free of Tenant's debris, and shall control weeds and maintain landscaping. Tenant shall not store waste or pallets outside of the Property and shall timely arrange for the removal and/or disposal of all pallets, crates and refuse owned by Tenant which cannot be disposed of in the dumpster(s) servicing the Property.

Tenant shall at all times keep the Property and all improvements thereon in a clean, neat, orderly and well-maintained appearance. Tenant shall, without limitation by reason of enumeration, be responsible for the proper maintenance of all leasehold improvements.

Tenant shall perform all repairs and maintenance on a regular basis in a good and workmanlike manner, using materials and labor of the same character, kind and quality as originally employed within the Property; and all such repairs and maintenance shall be in compliance with all governmental and quasi-governmental laws, ordinances and regulations, as well as all requirements of City's insurance carrier. In the event Tenant fails to properly perform any such repairs or maintenance within a reasonable period of time, City shall have the option to perform any such repairs on behalf of Tenant, in which event Tenant shall reimburse to City, as Additional Rent, the costs thereof within thirty (30) days after receipt of City's invoice for same.

11. **Utilities**. Tenant shall be solely responsible for the installation and purchase of all utility services required by Tenant during the term of this Lease.

12. **Assignment and Subleasing**. Other than as set forth below, Tenant shall not assign or sublet the Property or any portion thereof, nor allow the same to be used or occupied by any other person or for any other use than herein specified, without the prior written consent of City, which consent shall not be unreasonably withheld, conditioned or delayed; provided, additionally, that this provision shall not be deemed breached when services are performed on Tenant's behalf by employees, directors or officers of majority-related affiliates of Tenant in such a manner that same may be required to be present on the Property. For purposes of this Section, the transfer of any majority interest in any corporation or partnership shall be deemed to be an assignment of this Lease. In the event City consents to any sublease or assignment, the same shall not constitute a release of Tenant from the full performance of Tenant's obligations under this Lease. Further, in the event of any such sublease or assignment, Tenant shall reimburse City for all reasonable attorneys' fees in connection with reviewing and/or drafting any appropriate documents to affect such transfer of Tenant's interests. Notwithstanding the foregoing, Tenant shall be permitted to sublet the Property to Marek Landscaping, LLC, an affiliated company of Tenant ("Marek"), pursuant to a Sublease Agreement between Tenant and Marek, which shall state that Marek is subject to all provisions set forth in this Lease.

13. **Indemnification**. Tenant hereby agrees to indemnify and save harmless City 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 death of any person or persons and/or loss 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 Tenant's improvements and equipment, or in the carrying on of its business as hereinbefore set forth, except to the extent such liability, claim, demand, judgment or loss arises from a negligent act of the City, its agents, contractors or employees.

14. **Insurance**. Tenant shall maintain in full force and effect throughout the currency of this Lease, the following insurance covering any and all liability or obligations which may result from

operations by Tenant, Tenant's employees, agents, contractors or subcontractors as aforesaid in this Lease:

A) Property insurance coverage protecting against physical damage (including but not limited to fire, lightning, extended coverage perils, vandalism, sprinkler leakage, water damage, collapse and other special extended perils) to the extent of the replacement cost of Tenant's personal property and improvements as well as goods or property in Tenant's care, custody and/or control.

B) Comprehensive General Liability Insurance (including but not limited to Products and Completed Operations and Contractual Liability, as applicable to Tenant's obligations under this Lease) with limits not less than:

Each Occurrence Limit:	\$2,000,000
Products/Completed Operations Aggregate:	\$2,000,000
General Policy Aggregate:	\$2,000,000

C) Automotive Liability Insurance with Limits not less than:

Bodily Injury and Property Damage Combined Single Limit:	\$1,000,000 per occurrence
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D) Worker's Compensation Insurance, Longshoreman's and Harbor Worker's Compensation Insurance in accordance with Chapter 102, Wisconsin Statutes and any applicable Federal law.

E) Umbrella Coverage: \$5,000,000 in aggregate

F) Pollution Liability Coverage on a sudden and accidental basis to be continued for a period of 4 years after Lease expiration.

Each Occurrence Limit	\$2,000,000
Aggregate Coverage	\$4,000,000

All such policies shall be of a form and content reasonably satisfactory to City. In addition, the Board of Harbor Commissioners of the City of Milwaukee and the City of Milwaukee will be designated on the General Liability, Property Insurance, Automobile and Umbrella policies as Additional Insureds to the extent of the obligations assumed by Tenant hereunder. All policies shall be with companies authorized to do business in the State of Wisconsin and rated A- or better in the most current issue of Best's Key Rating Guide. Tenant shall furnish City with certificates of insurance for all policies showing that insurance has been written as required. Such evidence shall be provided by Tenant at least thirty (30) days prior to occupancy; and further, such policies shall provide that no less than thirty (30) days written notice be given to City before any such policies are cancelled. Said certificates of insurance shall remain in effect for the duration of this lease. Tenant shall not act in any manner that may make void or voidable any insurance required herein. Once in every three (3)-year period during the term of this Lease, City shall review the extent and limits of the insurance coverage required herein. After said review, should City reasonably determine an increase in the extent and/or limits of insurance coverage is required, Tenant shall be so notified in writing and Tenant shall cause such increases to be placed in effect within thirty (30) days of

receiving such notice. In no event shall the extent and limits of insurance coverage be reduced from the amounts shown herein.

The insurance requirements in this section are subject to review by the City and may be adjusted as needed to adequately protect the City's interest. City shall provide Tenant at least 12 months written notice to any change in the required insurance coverages.

15. **Taxes, Service Charges, and Fees.** Tenant shall pay and discharge when due all taxes, if any, assessments, levies, user fees 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. Tenant is responsible for payment of all storm water fees, street light fees, City management charges as well as snow and ice removal charges.

16. **Alterations & Improvements.** After the completion of Tenant's initial development of the Property, which the Port Director and the Board of Harbor Commissioners have reviewed and approved, Tenant shall not make any alterations, additions, buildings or improvements to the Property or Property without the prior written consent of City, which shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the aforesaid, Tenant, at Tenant's sole cost and expense, may install such trade fixtures as Tenant may deem necessary. In compliance with all applicable governmental and quasi-governmental laws, ordinances and regulations, Tenant shall furnish, upon City's request, plans, specifications, drawings and/or renderings of any proposed alterations, additions, buildings or improvements.

On or before the date of the expiration or earlier termination of this Lease, Tenant shall remove all trade fixtures and any other alterations, additions, buildings or improvements installed by Tenant within the Property; and, upon such removal, Tenant shall restore the Property to a condition substantially similar to that condition when received by Tenant. However, notwithstanding the aforesaid, upon City's written election, such alterations, additions, buildings and improvements shall revert to City and shall remain within the Property. In no event shall City have any right to any of Tenant's trade fixtures; and, except as otherwise set forth in this Lease.

Tenant or its contractors agree to properly secure all necessary permits and licenses required by any state, federal or local departments or agencies for the construction and operation of Tenant's business and improvements. A copy of each such permit or license shall be sent to the Port of Milwaukee for its record file.

17. **Destruction.** If the improvements upon the Property are damaged in whole or in part by casualty so as to render the Property untenable, and if the damages cannot be repaired within one hundred eighty (180) days from the date of said casualty, this Lease shall terminate as of the date of such casualty. If the damages can be repaired within said one hundred eighty (180) days, and City does not elect within sixty (60) days after the date of such casualty to repair same, then either party may terminate this Lease by written notice served upon the other. In the event of any such termination, the parties shall have no further obligations to the other, except for those obligations accrued through the effective date of such termination; and, upon such termination, Tenant shall immediately surrender possession of the Property to City. Should

City elect to make such repairs, this Lease shall remain in full force and effect, and City shall proceed with all due diligence to repair and restore the improvements to a condition substantially similar to that condition which existed prior to such casualty. In the event the repair and restoration of the Property extends beyond one hundred eighty (180) days after the date of such casualty due to causes beyond the control of City, this Lease shall remain in full force and effect, and City shall not be liable therefore; but City shall continue to use reasonable commercial efforts to complete such repairs and restoration with all due diligence. Tenant shall not be required to pay any rent for any period in which the Property is untenable. In the event only a portion of the Property is untenable, Tenant's rent shall be equitably abated in proportion to that portion of the Property, which are so unfit. However, there shall be no rent abatement if said damage is due to fault or negligence of Tenant or Tenant's agents, employees or invitees.

18. **Omitted.**

19. **Compliance with Laws and Orders.** Tenant agrees to observe fully and to comply with any laws, statutes, regulations, ordinances, rules, requirements or directives now in force or which shall emanate from any state, federal or local departments or agencies having jurisdiction. Tenant also agrees to be fully bound and to observe the provisions of the Municipal Port Tariff in effect as of the date of commencement of this Lease and of any successor or equivalent document issued by the Board of Harbor Commissioners of the City of Milwaukee during the term of this Lease.

20. **Security Compliance.** Tenant agrees to conform to all national security requirements imposed by the U.S. Department of Homeland Security, the Marine Transportation Security Act and its implementing regulations, as well as any applicable state and local security rules and regulations.

"Security," as that term is used herein shall mean "Measures designed to safeguard personnel; to prevent unauthorized access to equipment, property, buildings, harbor facilities, installations, materials, and documents; and to safeguard against espionage, sabotage, damage, and theft, or to prevent persons or organizations from engaging in any activity or using Port properties, equipment and material in a manner that would aid an effort to harm vital interests of the City of Milwaukee, the State of Wisconsin or the United States of America."

21. **Environmental Compliance and Obligations.**

A) **Compliance with Environmental Regulations.** Tenant shall fully comply with all environmental laws, including statutes, regulations, or other applicable requirements imposed by any federal, state, or municipal agency with respect to the environmental condition of the Property and/or with respect to any activities or operations that Tenant may conduct upon the Property (hereinafter referred to as "Environmental Requirements"). Tenant shall not cause, permit or suffer the existence or commission by Tenant, its agents, employees, contractors or invitees, or by any other person of any violation of any Environmental Requirements upon, about or beneath the Property or any portion thereof.

B) **Environmental Laws.** The term "Environmental Laws" shall mean and include (a) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901-6987, as amended by the Hazardous and Solid Waste Amendments of 1984; (b) the Comprehensive Environmental Response, Compensation

and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601-9657; (c) the Hazardous Materials Transportation Act of 1975, 49 U.S.C. § 1801-1812; (d) the Toxic Substances Control Act, 15 U.S.C. § 2601, et. seq.; (e) the Clean Air Act, 42 U.S.C. § 7401, et. seq.; (f) the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136, et. seq.; (g) Chapters 280-299 of Wisconsin Code; and all similar federal, state, or local environmental laws, ordinances, rules, codes and regulations, and as any of the foregoing may have been amended, supplemented, or supplanted and any other federal, state or local laws, ordinances, rules, codes and regulations now existing relating to the environment or the regulation or control or imposing liability or standards of conduct concerning toxic or hazardous waste, substances or materials.

C) Hazardous Material; Environmental Liens. Except to the extent used in the Tenant's operations conducted on the Property or used by third parties to repair, clean or maintain any portion of the Property or the equipment located on the Property ("Authorized Activity"), and provided that Authorized Activity will be conducted in compliance with all Environmental Requirements (including those relating to storage, use and disposal), Tenant shall not cause, permit or suffer any "hazardous material" or "hazardous substance" (as defined by applicable Federal or State statutes or regulations) to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined, or used upon, about, or beneath the Property or any portion thereof by Tenant, its agents, employees, contractors, tenants or invitees, or any other person without the prior written consent of the City. Any request by Tenant for such consent by the City shall be in writing and shall demonstrate to the reasonable satisfaction of the City that such "hazardous material" or "hazardous substances" is necessary to the conduct of the business of Tenant and will be stored, used, and disposed of in a manner that complies with all applicable Environmental Requirements. Tenant shall not create or suffer to exist with respect to the Property any lien, security interest, or other charge or encumbrance of any kind relating to the environmental condition of the Property, including (without limitation) any lien imposed pursuant to Sec. 107(f) of the Superfund Amendments and Reauthorization Act 1986 (42 U.S.C. § 9607(L)) or any similar State Statute.

D) Obligation to Investigate and/or Remediate. Tenant shall, upon demand of the City, and at its sole cost and expense, promptly take all actions to investigate and/or remediate the environmental condition of the Property which may be required by any federal, state or local governmental agency or political subdivision which remediation is necessitated from, or attributable to, the presence upon, about, or beneath the Property of any "hazardous material" or "hazardous substances" or any violation of Environmental Requirements caused by the activities or operations conducted by the Tenant upon the Property. Any such investigation and/or remediation shall be performed by and under the direction of a qualified environmental consulting or engineering firm approved by City in advance of the commencement of the work. Tenant agrees to allow entry upon the Property by the City, or agents, contractors or employees of the City for purposes of conducting environmental audits and/or other tests for the purpose of determining the impact of Tenant's presence and/or activities or operations upon or with respect to the Property upon

the environmental condition thereof. Nothing in this paragraph shall impose an obligation upon the Tenant relating to the presence of “hazardous substances” or “hazardous materials” that existed on the Property at the commencement of the lease or which may have migrated on the Property from sources located off of the Property and unrelated to the activities of the Tenant during the term of the Lease.

E) Survival of Obligations. Tenant's obligations with respect to the environmental condition of the Property (as more fully set forth in Subsections (A) through (C) above) shall survive the expiration or termination of this Lease for a period of five (5) years past the Lease termination or expiration date.

F) Nothing in this agreement shall be deemed to be or constitute a waiver by the City of any defense available to it as a governmental entity pursuant to 42 U.S.C. § 9601 (35) (A) (ii) and § 9607 (b) (3) or Wis. Stat. § 292.11(9)(e), 292.23(2), 292.24(2) and 292.26.

22. Liens. Other than with respect to a standard leasehold mortgage, which is subject to the advance review of the Municipal Port Director, delivered in accordance with a financing of Tenant’s improvements, Tenant shall not mortgage or otherwise encumber or allow to be encumbered its interest herein without obtaining the prior written consent of City. Should Tenant cause any mortgage, lien or other encumbrance (hereinafter singularly or collectively referred to as “Encumbrance”) to be filed, against the Premises or the Property, Tenant shall dismiss or bond against same within fifteen (15) days after the filing thereof. If Tenant fails to remove said Encumbrance within said fifteen (15) days, City shall have the absolute right to remove said Encumbrance by whatever measures City shall deem convenient including, without limitation, payment of such Encumbrance, in which event Tenant shall reimburse City, as Additional Rent, all costs expended by City, including reasonable attorney’s fees, in removing said Encumbrance. All of the aforesaid rights of City shall be in addition to any remedies which either City or Tenant may have available to them at law or in equity.

23. Time of the Essence. It is expressly understood and agreed to by the parties hereto that time is of the essence for each term and provision of this Lease.

24. Waiver. One or more waivers by any party 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 by any party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary further consent or approval of any subsequent similar act by such party.

25. Sole Agreement and Amendment. This shall be binding upon the parties hereto and their respective successors and assigns, and may not be modified orally or in any other manner other than by agreement, in writing, signed by each of the parties to this Lease. Each person signing this Lease warrants that this is the full, entire and complete Lease between the parties; that the terms of this Lease supersede and nullify any and all prior discussion, negotiations or agreements between the parties and/or any of the parties’ respective officers, employees or agents relating in any manner to the subject matter of this Lease; and that no promise or inducement not expressed in this Lease has been made or exists to cause or influence

each such person to execute this Lease. Each person signing this Lease warrants their ability to bind the party on whose behalf each signs.

26. **Notice.** Any notice provided for 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 prepaid, return receipt requested, or by receipted personal delivery to the parties as follows:

To the City:

BOARD OF HARBOR COMMISSIONERS
2323 S. Lincoln Memorial Drive
Milwaukee, WI 53207
Attention: Municipal Port Director

With a copy to:

Office of the City Attorney
841 N. Broadway, 7th Floor
Milwaukee, WI 53202

To the Tenant:

PERCH POINT LLC
c/o Marek Landscaping, LLC
125 W. Melvina Street #1
Milwaukee, WI 53212
Attention: Mike Marek

With a copy to:

Mallery s.c.
731 North Jackson Street
Suite 900
Milwaukee, WI 53202
Attention: Jacqueline G. Hrovat

27. **Governing Law.** This Lease shall be governed by the internal laws of the State of Wisconsin. 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.

28. **Authorization.** The undersigned signatories to this instrument represent that they are duly authorized to contract on behalf of their respective entities.

29. **Omitted.**

30. **Nondiscrimination.** Tenant 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 race, sexual orientation, creed, ethnic origin or identity, color, gender identity, religion or faith, marital status, age, handicap or national origin.

31. **Counterparts**. 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. The terms "Board of Harbor Commissioner" and "City" whenever used herein shall mean and include the Board of Harbor Commissioners of the City of Milwaukee and/or its successors and assigns in authority, as the context may require.

32. **Public Records**. Both Parties understand that the City is bound by the Wisconsin Public Records Law, and as such, all of the terms of this L are subject to and conditioned on the provisions of Wis. Stat. sec. 19.21 *et. sec.* Tenant acknowledges that it is obligated to assist the City in retaining and producing records that are subject to the Wisconsin Public Records Law, including but not limited to those records produced or collected by Tenant under this Lease pursuant to Wis. Stat. sec. 19.36(3) and that the failure to do so shall constitute a material breach of this Lease, and that Tenant must defend and hold the City harmless from liability due to its fault under that law. Except as otherwise authorized, those records shall be maintained for a period of seven years after the termination of this Lease.

33. **Approval**. IT IS FURTHER AGREED AND UNDERSTOOD that this Lease must be submitted to the Common Council of the City of Milwaukee and that the same must be approved by the Common Council and its execution authorized.

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

CITY OF MILWAUKEE

Tom Barrett, Mayor

Jim Owczarski, City Clerk

COUNTERSIGNED:

Aycha Sawa, Comptroller

BOARD OF HARBOR COMMISSIONERS

Timothy K. Hoelter, President

Adam Tindall-Schlicht, Secretary

PERCH POINT LLC

Mike Marek, Manager

STATE OF WISCONSIN
MILWAUKEE COUNTY

Personally came before me this _____ day of August _____, the Manager of Perch Point LLC, who by its authority and on its behalf executed the foregoing instrument and acknowledged the same.

NOTARY PUBLIC, State of _____
My Commission Expires _____

APPROVED as to Form and Execution this
_____ day of _____, 2021

Assistant City Attorney

PLEASE NOTE: TENANTS MUST COMPLETE THE FOLLOWING:

(Note: Someone other than the individual who executed this Lease must certify the following):

CERTIFICATE RE: LIMITED LIABILITY COMPANY

I, _____ certify that I am the _____ of the above
(print name) (print title)

TENANT named herein; that _____, who executed this Lease on behalf of
(print signator of tenant)

the above TENANT was then _____ of said company, and in said
(official capacity of signator)

capacity, duly signed said Lease for and on behalf of said limited liability company, being duly authorized so to do under its management agreement or other organizational documents or is authorized so to do by action of its members, all of which is within the scope of its company powers.

LEASE AGREEMENT

Between

PERCH POINT LLC

And the

BOARD OF HARBOR COMMISSIONERS

CITY OF MILWAUKEE

For lease of One Parcel of Real Property,
Located on the South Harbor Tract,
Approximately at 2452 S. Lincoln Memorial Drive,
Totaling 0.87 acres.

Lease Term: November 1, 2021
through
October 31, 2031

(The lease term may be extended four times, each for an
additional 10 years)



August 2, 2021

Marek Landscaping, LLC
Mike Marek
125 W Melvina St, Suite 1
Milwaukee, WI 53212

Re: New construction loan and land lease from the Port of Milwaukee

Dear Mr. Marek:

Spring Bank is happy that our client will have the unique opportunity to grow their business in the Port of Milwaukee and we are working on a loan to help support that opportunity. We understand that the Port is committed to develop a climate resilient port and along with Marek's current demand in waterfront development and green infrastructure we recognize that this is a great opportunity for them to expand services within the Port. Spring Bank is in the process of underwriting the loan for Marek Landscaping and hope to be able to work in conjunction with MEDC and the SBA to get this deal done.

Please feel free to contact me if you have any further questions in regards to this matter.

Sincerely,

Heather Nelson
Senior Vice President



Letter of Intent between Honeycomb Credit and Perch Point LLC

Perch Point LLC and Honeycomb Credit Inc. have agreed to terms to launch and promote a Regulation Crowdfunding ("Reg CF") campaign to seek local investment in Perch Point LLC. Perch Point LLC intends to use funds raised in this offering as the down payment on a construction loan to develop company property on Milwaukee's outer harbor.

Honeycomb Credit and Perch Point LLC are thrilled to bring this first-of-its-kind investment opportunity to the Milwaukee community and its small business supporters.

Deal Terms

Upon filing a Form C Offering Statement with the Securities and Exchange Commission ("SEC"), Perch Point LLC intends to raise funds through a Regulation Crowdfunding ("Reg CF") offering hosted by Honeycomb Portal LLC. During the offering period, accredited and non-accredited investors alike may invest in the Perch Point LLC under the following terms:

Security Type: Promissory Note
Target Amount: \$50,000 - \$150,000
Expected Offering Launch Date: August 14, 2021
Expected Offering End Date: September 28, 2021
Payment Start Date: November 12, 2021
Annual Interest Rate: 7.50%
Term Length: 12 months interest-only followed by 48 months fully amortizing

About Honeycomb Credit

Honeycomb Credit is a Pittsburgh-based crowdfunding platform that connects small businesses looking for expansion capital with community members looking to invest locally. By allowing anyone to invest in their own local economy, Honeycomb Credit aims to unlock growth opportunities for small businesses to build vibrant, financially empowered communities.

Honeycomb Credit is a leader in crowdfunded loans and has a dedicated team of experts committed to the success of small business.

Honeycomb Portal LLC (a subsidiary of Honeycomb Credit Inc.) is a SEC- and FINRA-registered funding portal and serves as the official intermediary for the Reg CF offering.

Christian Bilger
Chief Operating Officer
Honeycomb Credit

Perch Point LLC

Project Budget

Construction Costs

Includes building, utilities, site work and signage

Proposed SF **12,000**

Estimated Cost/ SF **\$179**

Total Construction Costs	\$	2,153,000
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Soft Costs

A/E Costs	\$	85,000
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Shell & Core

Civil

Administration	\$	573,060
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Permits and Impact Fees

Phase 1 -Environmental Assessment

Insurance Costs	\$	18,500
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Development Fee	\$	150,000
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Marketing	\$	10,000
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Total Soft Costs	\$	836,560
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Legal and Financial Cost

Loan Fees and Construction Interest	\$	92,400
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Legal Fees	\$	6,000
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Survey	\$	3,000
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Lender's Fees	\$	4,000
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Legal and Financial Cost	\$	105,400
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Project Contingency	\$	180,000
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Total Development Budget	\$	3,274,960
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Perch Point LLC

Sources of Funds

Total Project Costs	\$ 3,274,960
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Grants

Wisconsin Coastal Management (through NFP Partner)	\$	100,000
DOT Harbor Assistance Program	\$	80,000
MMSD Green Infrastructure Partnership Program	\$	100,000
Fund for Lake Michigan (through NFP Partner)	\$	60,000
SubTotal Grants	\$	340,000
Projected success rate 80%		80%
Total Grants	\$	272,000

Equity

Marek Landscaping	\$	100,000
Total Equity	\$	100,000

Debt

Bank Debt (85% first position)	\$	2,783,716
Private Debt (15% less grants and equity - second position)	\$	119,244
Total Debt	\$	2,902,960

Total Sources of Funds	\$ 3,274,960
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July 28, 2021

Mr. Tim Hoelter, Chair
Board of Harbor Commissioners
Port Milwaukee
Re: Marek Landscaping

Dear Chairman Hoelter:

I was very excited and encouraged to learn of your proposed lease to Perch Point and Marek Landscaping.

As you may know, the Fund for Lake Michigan's mission is to improve habitat and water quality in the Lake Michigan basin. Since our inception in 2010, Marek Landscaping has worked with the Fund and its partners on many pioneering projects that have included unique approaches to creating habitat, improving water quality, and strengthening community connections to our rivers and Lake Michigan.

From designing floating islands for fish habitat to testing new bluff stabilization methods for Atwater Beach, Marek's innovation and partnership has helped the Fund meet its objectives. In fact, Marek has successfully completed dozens of projects with our partners and has always delivered a high-quality product.

Among many other projects, Marek designed and built a very successful riverbank reconstruction at Kiwanis Park for River Revitalization Foundation which anticipated lake level fluctuations from record lows in 2012 to record highs in 2020. The project included a biological stabilization technique utilizing native plant communities, a beautiful limestone canoe launch, and fishing access along the shoreline. This is an example where technical design, aesthetics, ecological know how, and strong community connections brought the highest value and performance to our contribution to the project.

We support having a business like Perch Point and Marek Landscaping on the water. Having a partner that can design, build, and maintain current and future projects located in the Port of Milwaukee is important to advancing our efforts and we're committed to supporting this partnership.

Sincerely,



Vicki Elkin
Executive Director, Fund for Lake Michigan



July 27, 2021

Mr. Tim Hoelter, Chair
Board of Harbor Commissioners
Port Milwaukee

Re: Marek Landscaping

Dear Chairman Hoelter:

Harbor District, Inc. is excited to support the proposed lease of Port property to Marek Landscaping. As you know, Marek is a locally-owned firm that provides environmental, waterfront restoration, and green infrastructure services.

We see three important benefits to locating Marek Landscaping at Port Milwaukee.

1. Project Implementation

As Milwaukee launches into a major restoration of our waterways under the auspices of the US EPA "Area of Concern" program, the firms that provide the ecological component of these projects come from outside our area. A local firm that is able to provide crucial project elements will help with implementation, as logistical and transportation advantages may lower costs, and better knowledge of local conditions will benefit both the design and execution of projects. For Harbor District, Inc.'s ecological work, Marek offers expertise, new ideas, and willing partnership to help us restore a vibrant ecology.

2. Economic Development

A local contractor bidding on restoration projects enables Milwaukee to better leverage investments in clean-up into local economic development as well. And a site with water access positions Marek in a currently un-served business niche here.

3. Reputation

As Milwaukee continues to develop its brand as a "Water-Centric City" with strengths in water research and technology, it helps us to have successful local firms in a wide range of water-related businesses, including Great Lakes shoreline and ecological restoration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lilith Fowler".

Lilith Fowler
Executive Director

Cc: Adam Tindall-Schlicht
Mike Marek

**600 E GREENFIELD AVE, ROOM 124
MILWAUKEE, WISCONSIN 53204
HARBORDISTRICT.ORG**