(ATTACHMENT 1) ACTION ON A REQUEST FOR AUTHORIZATION TO ENTER INTO A LEASE BETWEEN THE MILWAUKEE BOARD OF SCHOOL DIRECTORS AND MILWAUKEE YOUTH ARTS CENTER, INC. AT GOLDA MEIR

LEASE AGREEMENT BETWEEN

MILWAUKEE BOARD OF SCHOOL DIRECTORS

AND

MILWAUKEE YOUTH ARTS CENTER, INC.

THIS Lease Agreement is made this 29 day of May, 2014, by and between the Milwaukee Board of School Directors, contracting authority for Milwaukee Public Schools, a public body, (hereinafter referred to as "the Board") and the Milwaukee Youth Arts Center, Inc., a Wisconsin corporation, (hereinafter referred to as "MYAC").

1. <u>PREMISES</u>: The Board does hereby lease, demise, and let unto MYAC the use of the parking lot located on the southwest corner of North 4th Street and West Galena Avenue in Milwaukee, WI, (hereinafter referred to as "the Premises").

2. <u>TERM</u>: The term shall commence on July 1, 2014 and terminate on June 30, 2017, except that either party, during the term, may terminate the Lease Agreement upon service of a 60-day notice to terminate, pursuant to \P 16 of this Lease Agreement.

3. <u>SUBLEASE</u>: MYAC shall not have the option to assign, sublease, sell, or otherwise transfer any portion of the Premises.

4. <u>USE</u>: MYAC's use of the Premises shall be non-exclusive and restricted to the parking of vehicles owned and/or operated by its employees, officers, agents, students, invitees and volunteers after normal school hours Monday through Friday, and all day Saturday and Sunday. MYAC's use shall not interfere with normal school operations and activities of Golda Meir School, the Board facility located at the larger site which contains the Premises. In the event of a conflict, activities of the Board shall have priority. No overnight parking is permitted. Use shall include the right of ingress and egress for vehicles and their occupants.

5. <u>RENTAL</u>: The rental fee for MYAC's use of the Premises shall be One Dollar (\$1.00) annually MYAC shall have the option to prepay the rent for entire term of this Lease Agreement or pay the rental fee for the upcoming year on July 1st. In addition to the monetary rental fee, MYAC shall pay rent in the form of educational services, as may be mutually agreed by the parties, to Golda Meir School or other schools designated by the Board. Such educational services shall be at no cost to the Board or the school(s) receiving services.

6. <u>EXTENSION OF LEASE</u>: There is a possibility of two (2) additional three-year extension periods at the sole discretion of the Board. These extension periods shall automatically be invoked on the date of July 1, 2017 and July 1, 2020 unless this Lease Agreement has been

terminated by one of the parties pursuant to \P 2. It is the intent of the parties that the terms and conditions contained in this Lease Agreement shall apply equally to any extension period.

7. <u>COVENANT OF TITLE</u>: The Board herein warrants that it is the owner of the Premises and that there are no existing restrictions which may deny MYAC the use and occupancy of said Premises or restrict its use thereof.

8. <u>BOARD'S RIGHT TO ENTER</u>: The Board or its agents shall have the right, at all reasonable times, to enter and occupy the Premises to examine the same or to perform repairs or required maintenance.

9. <u>COVENANT OF QUIET ENJOYMENT</u>: The Board hereby covenants that MYAC, upon paying the rent above stipulated and performing all the covenants and conditions of this Lease Agreement on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the Premises for the aforesaid term, and for the term of any extension periods, free from molestation, eviction or disturbance by the Board, or by any other person or persons lawfully claiming the same, and that the Board has good right to make this Lease Agreement for the full term thereby granted, including the extension periods.

10. <u>COVENANT TO OBEY LAWFUL ORDERS</u>: The Board agrees to obey all ordinances of the City of Milwaukee in regard to cleaning the sidewalk in front of the Premises and any and all lawful orders, rules and regulations of the proper health offices of said City. The Board, at its own cost and expense, unless otherwise specifically provided herein, shall promptly execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the Federal, State and City governments and of any and all their departments and bureaus applicable to the Premises for the correction, prevention and abatement of nuisances or other grievances, in, upon or connected with the Premises during said term, and shall also promptly comply with and execute all rules, orders and regulations of the Board of Fire Underwriters of the State of Wisconsin.

11. <u>ALTERATIONS</u>: MYAC shall make no alterations to the Premises.

12. <u>INSURANCE</u>: Throughout the term of this Lease Agreement, MYAC will carry the following insurance:

INSURANCE	MINIMUM LIMIT
TYPE	
Workers'	As defined by Wisconsin state statutes
Compensation	
Employers'	\$100,000 per occurrence
Liability	
General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate
Fire Damage Legal	\$1,000,000 per occurrence
Liability	
Auto Liability	\$1,000,000 per occurrence
Umbrella (excess)	\$5,000,000 per occurrence
Liability	-

The Board is to be named as an additional insured under the MYAC's Commercial General Liability Insurance and other appropriate policies throughout the term of this Lease Agreement and any extension period. A Certificate of Insurance evidencing the aforementioned insurance requirements is required to be provided to the Board before July 1, 2014. Said certificate is to include a provision that 60 days advance notice will be provided to the Board prior to a material change, termination or cancellation of MYAC's insurance coverage. MYAC has a duty under this Lease Agreement to provide the Board with a valid Certificate of Insurance upon expiration of the previous Certificate offered.

The indemnification obligation under this Lease Agreement shall not be reduced in any way by the existence or non-existence, limitation, amount or type of damages, compensation or benefits payable under Worker's Compensation laws or other insurance provisions. Under no circumstances is the Board's recovery limited due to the fact that it is named as an additional insured under MYAC's insurance policies as listed above.

13. <u>INDEMNIFICATION</u>: MYAC agrees to defend, indemnify, and hold harmless the Board, its agents, employees and officers against any and all claims, demands, actions and causes of actions and resulting liability, loss damages, costs and expenses for injury to persons and damages to or loss of physical property to the extent caused directly or proximately by any wrongful, intentional or negligent act or omission of MYAC, its employees, officers, agents, students, invitees and volunteers during their use of the Premises under this Lease Agreement.

To the extent permitted by the laws of the State of Wisconsin, including, but not limited to Wis. Stat. § 893.80, the Board shall defend and hold harmless MYAC, its employees, officers and agents from and against any and all liabilities, claims, losses, lawsuits, judgments and/or expenses, including attorneys' fees, arising solely from any act or failure to act by the Board, its staff, agents and employees which arise directly from the Board's performance under this Lease Agreement.

MYAC and the Board each agree to notify the other by phone and in writing, as soon as reasonably practical, of any incident involving the other which may result in the pursuit of relief under this paragraph.

14. <u>MAINTENANCE</u>: The Board, at its sole expense, shall maintain the Premises, including areas of ingress and egress, in good condition, order, and repair. Removal of snow and ice shall be consistent with the Board's normal policies regarding the same. MYAC, at its sole expense, may provide for additional snow and ice removal, provided the same does not interfere with Board operations and activities.

15. <u>ADDITIONAL TERMS</u>:

a. MYAC is responsible for the conduct of its employees, officers, agents, students, invitees and volunteers.

b. Intoxicating liquor, weapons, and illegal substances, in any form, will not be allowed on the Premises at any time. No smoking is allowed on the Premises at any time.

c. Lewd conduct will not be tolerated and will be cause for termination of this Lease Agreement in the Board's sole discretion.

d. MYAC will report any repair or maintenance need at the Premises to the principal at Golda Meir School within 24 hours of MYAC's observance of the same.

16 <u>NOTICATIONS</u>: All communications and notifications shall be made to the addresses shown below by U.S. Mail or other express carrier, addressed as follows:

To the Board:

Copies To:

Milwaukee Board of School Directors Milwaukee Public Schools 1124 North 11th Street Milwaukee, WI 53233-1414 Attn: Director Golda Meir School 1555 North Martin Luther King Drive Milwaukee, WI 53212 Attn: Principal

To MYAC

Milwaukee Youth Arts Center, Inc. 325 West Walnut Street Milwaukee, WI 53212 Attn: Bradley Bingheim

or at such other address as either party may hereafter designate in writing. Service of any such written notice shall be deemed complete at the time of personal delivery or within three (3) days after mailing as provided above.

17. <u>ENTIRE AGREEMENT</u>: This Lease Agreement is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of its terms. This Lease Agreement supersedes all prior proposals, negotiations, conversations, discussions and contracts among the parties concerning the subject matter hereof. This Lease Agreement shall not be modified in any manner except by an instrument in writing executed by each party's authorized signatory. The terms, covenants and conditions contained in this Lease Agreement shall bind and insure to the benefit of the Board and MYAC and their respective successors, heirs, legal representatives and assigns.

[Signatures begin on next page.]

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

LESSOR: MILWAUKEE BOARD OF SCHOOL DIRECTORS

Michael Bonds, Ph.D. President Gregory E. Thornton, Ed.D. Superintendent of Schools

LESSEE: MILWAUKEE YOUTH ARTS CENTER, INC.

Bradley Bingheim, Authorized Signatory