

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____ 2025, by and between **THE MARQUETTE DOWNTOWN DEVELOPMENT AUTHORITY**, an authority of the City of Marquette, of 337 W. Washington Street, Marquette, Michigan 49855, hereinafter “LESSOR” and **MQT BIKE RENTALS, L.L.C.**, a Michigan limited liability company, with a mailing address of 607 N. Third St., Marquette, Michigan 49855, hereinafter “LESSEE”.

Recitals

- A. The City of Marquette, a Michigan municipal corporation, of 300 W. Baraga Avenue, Marquette, Michigan 49855 is the owner of the real property located at 245 S. Lakeshore Boulevard in the City of Marquette. The Lessor manages the real property located at said address.
- B. Lessee desires to lease and Lessor is willing to lease to Lessee a 10 foot x 24 foot section of the property located in the greenspace between the Lakeshore Parking Lot and the Iron Ore Heritage Trail as shown in Exhibit “A” located on Lessor’s managed property in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises of the parties and other good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. Leased Premises

- 1.1 Lessor leases to Lessee space as shown in Exhibit “A”, hereinafter “PREMISES”.

2. Term of Lease

This lease shall run from May 1, 2025 through April 30, 2027.

3. Rent

The rent shall be \$500.00 annually for the lease term. Payment shall be made to Lessor by May 31, 2025 and May 31 annually thereafter for the duration of the term.

4. Use of Premises

- 4.1 Lessee shall use the premises only for installation and operation of an Automated Bicycle Rental Vending Terminal. Bicycles shall be non-motorized.
- 4.2 The Automated Bicycle Rental Vending Terminal shall only be installed and operational between May 1 and October 31 annually throughout the duration of the term.
- 4.3 Minor grading and installation of an aggregate base and sono-tube for rack anchorage are permitted at the Lessee’s sole expense and maintenance responsibility.

4.4 Prior to installation of the Automated Bicycle Rental Vending Terminal, Lessee will meet with MDDA employees to discuss logistics for the use of the Premises.

- 4.5 Lessee shall not use the Premises for any purpose that would:
- a) be deemed hazardous to the public or adjoining premises including, but not necessarily limited to, fire, and environment type hazards;
 - b) constitute a violation of any public law or requirement;
 - c) cause damage or injury to the Premises, or any part of it (ordinary wear and tear excepted);
 - d) constitute a public or private nuisance;
 - e) interfere with other uses of the Premises;
 - f) permit refuse to accumulate in or around leasehold; or
 - g) prohibit or restrict public access through the premises.

5. Use of Public Areas by Lessee

Lessee and its invitees shall have the right to use all public areas, subject however to all rules and regulations regarding these areas. Lessee and its invitees shall only use the designated area as shown on Exhibit A. Lessee is permitted to display the signage connected to the Bicycle Rental Vending Terminal, as shown in Exhibit B. This signage is considered as an exception to the sign standards for the parcel as stated within the City of Marquette Land Development Code because it is on the leased property as defined herein.

6. Non-exclusive Use of Premises

Lessee acknowledges that its use of the Premises is not exclusive, and that Lessee and its invitees shall have the right in common with Lessor, its invitees, and others to use the Premises.

7. Maintenance and Repair

- 7.1 Lessee shall be solely responsible for the maintenance and repair of the Automated Bicycle Rental Vending Terminal and all of Lessee's tangible personal property located or used on the Premises and shall keep them in a safe condition and good repair.

8. Insurance and Indemnity

- 8.1 Lessee shall not permit any activity on the Premises which would invalidate or be in conflict with Lessor's insurance policies covering the Premises.
- 8.2 Lessee shall not permit any activity on the Premises which would cause Lessor's rate for the insurance described herein to be increased.
- 8.3 Lessee, at its sole expense, shall be responsible for insuring its own tangible personal property, equipment, and fixtures from loss from fire and other casualty and shall at all times provide Lessor with a certificate evidencing such coverage.
- 8.4 Lessee, at its sole expense, shall maintain liability insurance protecting and insuring Lessee, Lessor, and the City of Marquette from all claims for injury or damage to persons

or property arising out of the use of the Premises by Lessee, its employees, agents, invitees, and licensees. The amount of the insurance shall not be less than One million and 00/100 Dollars (\$1,000,000.00) per occurrence for accident, bodily injury, or death and not less than Three Hundred Thousand and 00/100 Dollars (\$300,000.00) for property damage. Lessee shall at all times provide Lessor with a current copy of said policies with proof of payment of premium thereon. The insurance policies shall bear endorsements to the effect that the insurer agrees to notify Lessor not less than thirty (30) days in advance of any modification or cancellation thereof. Lessor and the City of Marquette shall be named as additional insured on all insurance policies required by this lease.

- 8.5 Lessee will indemnify and hold Lessor and the City of Marquette harmless from and against all loss, cost, expense and liability whatsoever (including Lessor's or the City of Marquette's cost of defending against the foregoing, such cost to include attorneys' fees) resulting or occurring by reason of Lessee's use and occupancy of the Premises.

9. Assignment/Subletting

- 9.1 Lessee shall not assign or sublet the Premises or any part thereof without the express prior written consent of the Lessor.

- 9.2 Lessor may freely assign its rights and obligations under this Lease Agreement to any third party pursuant to a Purchase and Sale Agreement, Land Contract or similar instrument.

10. Use of Premises by Lessor

Lessor and the City of Marquette reserves for themselves and their contractors and agents the right to enter the Premises at reasonable times for the purpose of inspecting, maintaining, installation, operation and repair services of the Premises or adjacent real property.

11. Covenant of Quiet Enjoyment

Lessor warrants and represents that they have the full authority to execute this lease for the above term. Lessor covenants that upon Lessee paying and rents and performing its covenants and duties prescribed herein, Lessee may, except as otherwise described herein, have the non-exclusive and reasonable right to have, hold and enjoy Premises.

12. Lessor's Right to Perform Lessee's Obligation

If Lessee defaults in the observance or performance of any term or covenant of this lease, Lessor may, without thereby waiving the default, remedy the default at Lessee's expense. If, in connection therewith, Lessor makes any expenditure or incurs any obligation for the payment of money or in instituting, prosecuting, or defending any action or proceeding commenced before or during the term of this lease, or after the expiration or termination of this lease including, but not necessarily limited to, legal expenses and attorneys' fees, Lessee shall pay to Lessor on demand the sums paid or obligation incurred together with legal fees and costs.

13. Default by Lessee

- 13.1 If the Lessee fails to perform any obligation under this agreement within 30 days after receiving written notice of the default from the Lessor, the Lessor may terminate this lease.
- 13.2 In addition to the Lessor's other rights and remedies as stated in this lease, and without waiving any of those rights, if the Lessor deems necessary any repairs that the Lessee is required to make or if the Lessee defaults in the performance of any of its obligations under this lease, the Lessor may make repairs or cure defaults and shall not be responsible to the Lessee for any loss or damage that is caused by that action. The Lessee shall immediately pay to the Lessor, on demand, the costs for curing any defaults, as additional rent under this lease.
- 13.3 The rights and remedies of Lessor shall be cumulative as more particularly provided by law or in equity pursuant to the laws of the State of Michigan.

14. Surrender of Leasehold Upon Termination of Lease

If upon termination of the lease, Lessee has failed to remove its Automated Bicycle Rental Vending Terminal and returned the property to its original condition, Lessor reserves the right to deem them abandoned and shall have the legal right to dispose of same, and costs incurred in disposing of same and returning the property to its original condition shall be the financial responsibility of Lessee.

15. Option to Renew

The Lessor and Lessee each have the right to terminate this agreement at any time and for any reason by providing written notice to the other at least 60 days prior to May 1 of each year of this agreement. Upon such notice of termination MQT BIKE RENTALS, L.L.C. will immediately cease to use the Premises.

16. Future Expansion

Any expansion of additional Automated Bicycle Rental Vending Terminals on real property owned by the City of Marquette shall require negotiation between the City of Marquette, the Lessee and the Lessor, if said property is located within the boundaries of the Downtown Development Authority District.

17. Miscellaneous

- 17.1 This agreement shall be binding on the parties and inure to the benefit of the Lessor, the Lessee, and the City of Marquette and their respective successors and assigns.
- 17.2 This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
- 17.3 This agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon any party except to the extent incorporated herein.

- 17.4 Any modification of this agreement or additional obligations assumed by any party in connection with this agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.
- 17.5 Waiver by Lessor of any breach of any covenant of duty of Lessee under this lease is not a waiver of a breach of any other covenant of duty of Lessee or any subsequent breach of the same covenant or duty.
- 17.6 The invalidity of any portion of this agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.
- 17.7 All notices to be given under this lease shall be in writing and mailed, postage prepaid, or by certified or registered mail, return receipt requested, or delivered personally or by courier delivery, or sent by telecopy (immediately followed by one of the preceding methods) to Lessor's address and Lessee's address as above stated or any other place that Lessor or Lessee may designate in a written notice given to the other parties. Notices shall be deemed served on the earlier of receipt or three (3) working days after the date of mailing.

The parties have set their hands on the day and year first above written

OWNER
CITY OF MARQUETTE

Jessica Hanley, Mayor

Kyle Whitney, City Clerk

Approved as to Substance:

Karen M. Kovacs, City Manager

Approved as to Form:

Suzanne C. Larsen, City Attorney

LESSOR
MARQUETTE DOWNTOWN
DEVELOPMENT AUTHORITY



Ryan Stern, DDA Board Chairperson

LESSEE
MQT BIKE RENTALS L.L.C.



Tom Fure

Its: _____

EXHIBIT A



EXHIBIT B



