

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of _____, 2025, by and **THE MARQUETTE DOWNTOWN DEVELOPMENT AUTHORITY (MDDA)**, an authority of the City of Marquette, located at 337 W. Washington Street, Marquette, Michigan 49855, hereinafter referred to as "LESSOR," and **SHIPWRECKED VENDING, LLC**, a Michigan limited liability company, with a mailing address 828 W. Bluff Street, Marquette, Michigan 49855, hereinafter referred to as "LESSEE."

Recitals

- A. The City of Marquette, a Michigan municipal corporation, of 300 W. Baraga Avenue, is the owner of real property located at 146 W. Washington Street in the City of Marquette, commonly known as the Phil Niemisto Pocket Park. The Lessor manages the stair tower located at said property.
- B. Lessee desires to lease, and Lessor is willing to lease, space within the stair tower for the installation and operation of a vending machine unit.

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**
Lessor leases to Lessee a defined portion of space within the stair tower at Phil Niemisto Pocket Park, as shown in Exhibit "A," hereinafter referred to as "PREMISES."
- 2. Term of Lease**
This lease shall run from July 15, 2025 through July 14, 2027.
- 3. Rent**
Lessee shall pay Lessor an annual rental fee of \$500.00. Payment shall be made by July 15, 2025, and by July 15 annually thereafter during the lease term.
- 4. Use of Premises**
 - 4.1 Lessee shall use the premises solely for the installation and operation of a vending machine. The vending machine may dispense food, beverages, and other non-perishable, non-consumable items.
 - 4.2 Lessee shall not use the premises in a manner that:
 - a) Is hazardous to the public;
 - b) Violates any law or city ordinance;
 - c) Causes damage to premises;
 - d) Constitutes a nuisance; or
 - e) Restricts public access.
 - 4.3 Lessee agrees to meet with MDDA staff prior to installation to coordinate logistics and ensure compliance with site standards.

4.4 Lessee shall comply with all applicable rules and regulations of the State of Michigan Department of Health and Human Services and any other regulatory body governing the sale and distribution of food items.

5. Utilities and Access

The vending machine will require electricity. The MDDA will bear the cost of power provided. Any required utility access shall be coordinated with MDDA.

6. Maintenance and Repairs

Lessee is solely responsible for the maintenance, repairs, and cleanliness of the vending machine. All equipment must be kept in safe and operable condition.

7. Signage

Lessee may affix signage directly to the vending machine. Signage may not project beyond the sides of the vending machine. No additional signage or advertising may be displayed elsewhere on the premises or surrounding area.

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. Customer Service Contact

Lessee shall ensure that a clearly visible phone number is displayed on the vending machine for customers to report issues. This number must connect directly to someone authorized to handle issues on behalf of the LLC.

10. Non-exclusive Use and Public Access

Lessee acknowledges that the use of the premises is non-exclusive. The public retains access to the surrounding area, and Lessee's operations must not impede this access.

11. Assignment / Subletting

Lessee shall not assign or sublet the premises without prior written consent of the Lessor.

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 vending machine 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 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 SHIPWRECKED VENDING, LLC, will immediately cease to use the Premises.

16. Future Expansion

Any expansion of additional vending machines 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. If 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
SHIPWRECKED VENDING, LLC



Emily Nobles

Its: _____

Exhibit A

