



CITY OF AURORA, ILLINOIS

ORDINANCE NO. 022-080
DATE OF PASSAGE November 22, 2022

An Ordinance Approving a Lease, Renovation Agreement for City-Owned Property in the Downtown TIF (Stolp Island Parking Deck Commercial Spaces, 5 East Downer Place Suite A and E); and Related Finish Line Grant Funding.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City owns office spaces in the public Parking Garage building located at 5 E Downer Place, Suite A and E, Aurora Illinois, 60505; and

WHEREAS, PreMil LLC desires to move its operations and conduct new business in Aurora; and

WHEREAS, the parties have negotiated a lease agreement for the use of said office facilities; and

WHEREAS, the City will financially assist the opening of PreMil at 5 E Downer Place Suite E, and The Garage powered by PreMil at 5 E Downer Place Suite A with \$52,028 in 2022 Finish Line grant and \$68,045 from the 2023 planned Finish Line allocation or a total of \$120,073; and

WHEREAS, the City will also use \$30,000 from the closing of TIF #1 funds for an interim total of \$150,000; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Aurora, Illinois, as follows:

SECTION 1: That the Mayor and City Council ("Corporate Authorities") of the City of Aurora, Illinois ("City") find as follows:

ORDINANCE NO. 022-088
DATE OF PASSAGE November 22, 2022

The City is a home rule municipality pursuant to Section 6 of Article VII of the Constitution of the State of Illinois.

The City has the authority, pursuant to its home rule powers and the laws of the State of Illinois, including 65 ILCS 5/8-1-2.5, to promote the health, safety and welfare of the City and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base and increase additional tax revenues realized by the City, to foster increased economic activity within the City, to increase employment opportunities within the City, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise take action in the best interests of the City.

The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended from time to time ("TIF Act").

Pursuant to its powers and in accordance with the TIF Act, and pursuant to ordinances adopted December 2, 1986 (collectively the "TIF Ordinances"), which are incorporated herein by reference, the Downtown Tax Increment Financing District No. 1 ("TIF District") was formed as a TIF district, the redevelopment project area therefor was approved, the redevelopment plan and project therefor ("Redevelopment Plan and Project") was approved, and tax increment financing in relation thereto was approved.

Pursuant to and in accordance with the TIF Act and the TIF Ordinances, the Corporate Authorities of the City are empowered under Section 4(c) of the TIF Act, (65 ILCS 5/11-74.4-4(c)), to convey and dispose of City-owned property within the TIF District.

PreMil, LLC ("Lessee") intends to lease certain space in the City-owned property commonly known as the Stolp Island Parking Deck, 5 East Downer Place, Aurora, Illinois, depicted on Exhibit 1 attached hereto and made part hereof ("Property"), which is located within the TIF District, and Lessee desires to lease a portion of the Property, so that it can thereafter renovate a portion of the Property for a retail use in furtherance of the City's desire to redevelop a portion of the TIF District with these uses ("Project").

The City desires to enter into a lease and renovation agreement ("Agreement") with the Lessee, in order that the Lessee lease the Property and develop the Project in Suites A and E at 5 E Downer Place, as supported by certain City-provided economic incentives, in furtherance of the Plan and Project for the TIF District, which Project the Developer cannot complete without a lease of a portion of the Properties being leased to it.

That notice of the City's intent to enter into the Lease Agreement, pursuant to 65 ILCS 5/11-74.4-4(c) was provided by the City.

It is in the best interest of the City to enter into the Agreement, to ensure that redevelopment within the TIF District continues.

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SECTION 2: Based upon the foregoing, the Agreement attached hereto as Exhibit 2 is hereby approved; the Mayor and City Clerk, or their designees, be and are hereby authorized and directed to execute the Agreement in substantially the form attached hereto as said Exhibit, with such changes as are approved by the Mayor, and to perform the City's obligations thereunder; and the Mayor and the City Clerk, or their designees, are further authorized and directed to execute and deliver such other instruments, including the Lease Agreement, as may be necessary or convenient to consummate the City's obligations as set forth in the Lease Agreement.

SECTION 3: This Ordinance shall be in full force and effect from and after its adoption and approval as provided by law.

ORDINANCE NO. 022-080

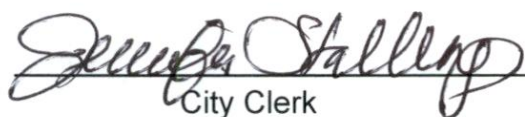
LEGISTAR NO. 22-0943

PASSED AND APPROVED ON November 22, 2022

AYES 11 NAYS 0 NOT VOTING 0 ABSENT 1

ALDERMAN	Vote
Alderman Llamas, Ward 1	yes
Alderwoman Garza, Ward 2	yes
Alderman Mesiacos, Ward 3	yes
Alderman Donnell, Ward 4	yes
Alderman Franco, Ward 5	yes
Alderman Saville, Ward 6	yes
Alderwoman Hart-Burns, Ward 7	yes
Alderwoman Smith, Ward 8	yes
Alderman Bugg, Ward 9	yes
Alderwoman Baid, Ward 10	yes
Alderman Woerman, At Large	absent
Alderman Jenkins, At Large	yes

ATTEST:


City Clerk


Mayor

LEASE AND RENOVATION AGREEMENT

THIS LEASE AND RENOVATION AGREEMENT (hereinafter the "Lease"), made and entered into as of this 23rd day of November, 2022, by and between **CITY OF AURORA**, an Illinois home rule municipality (hereinafter referred to as "**Lessor**" or "**Landlord**"), and Premil LLC, an Illinois limited liability company (hereinafter referred to as "**Lessee**" or "**Tenant**"). Lessor/Landlord and Lessee/Tenant are sometimes referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS:

The recitals contained in Section 1 of the Ordinance approving this Lease are incorporated herein by reference. However, the defined terms of the Ordinance shall not operate to change or modify the definitions used in the body of this Lease and the Workletter.

1. Premises

- a. Lessor hereby leases to Lessee, and Lessee hereby rents from Lessor, subject to the terms, covenants and conditions herein set forth, Suites A and E, (hereinafter the "Premises"), which is commercial or office space located on the ground floor of the City's Stolp Island Parking Deck (hereinafter the "Building") at 5 E. Downer Place, in Aurora, Illinois, PIN 15-22-315-001 (hereinafter the "Property") for the Term of this Agreement. The leased Premises is shown in **EXHIBIT A** attached hereto and made a part hereof.
 - b. Subject to the Workletter attached hereto as **EXHIBIT B** and made a part hereof, Lessee agrees to accept possession of the Premises in its existing "AS-IS" condition on the date of this Lease, without representation or warranty by Lessor, express or implied, and with no obligation of Lessor to repaint, remodel, repair, improve, or alter the Premises, or to perform any construction, remodeling, or other work of improvement upon the Premises. The Lessee shall renovate the Premises as illustrated in the drawings attached hereto as **EXHIBIT C** and made a part hereof, and in accordance with the budget items outlined in **EXHIBIT D** attached hereto and made a part hereof. Without limiting the generality of the foregoing, Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty regarding the condition of the Premises, the Building, or the Property, the suitability of the Premises for Lessee's use, or the condition, capacity, or performance of the Building Systems.
2. **Purpose.** The purpose of this lease is to allow Lessee to access and use the Premises for operating a retail apparel business in Suite A of the Building and an apparel and print shop business in Suite E of the Building.

3. Term.

- a. This Lease shall commence on November 23, 2022, or the following day after the date approved by the Aurora City Council; whichever date is later (hereinafter the "Commencement Date"). The Lessor shall deliver possession of the Premises to Lessee on the Commencement Date.
- b. The initial term (hereinafter the "Initial Term") of this lease will expire five (5) years from the Commencement Date.
- c. This Lease is renewable for successive five (5) year terms (hereinafter a "Renewal Term"), subject to written consent of both Parties and an agreement of the Parties related to rent and all other terms and conditions applicable to a Renewal Term, which must be in place not later than four (4) months before the expiration of the Initial Term or a Renewal Term. Notwithstanding the foregoing, in the event the Parties are unable to reach an agreement during the Initial Term related to rent and all other terms and conditions applicable to the first Renewal Term, Lessee shall have the one-time option to renew this Lease for a period of five (5) years if the Lessee is in compliance with all terms and conditions of the Lease and Lessee has achieved 80% of its business goals as provided on the budget plan and financial projections provided to the Lessor by Lessee prior to the Commencement Date. Tenant shall exercise its unilateral option at least three (3) months before the expiration of the Initial Term and the Rent shall be market rate. The Lease shall, in all other respects, remain the same.
- d. The Initial Term and every Renewal Term shall be collectively referred to as the "Term" unless the context clearly indicates otherwise.
- e. The Tenant shall be required to obtain all necessary licenses for governmental entities related to operation of its businesses on the Premises within 60 days after the completion of the Work as defined in Exhibit B. If Tenant fails to do so through no fault of Landlord, Landlord, at its option, may terminate the Lease and the Tenant shall immediately vacate the Premises.

4. Fixed Rent.

- a. Beginning on the Commencement Date and during the Initial Term, Lessee covenants and agrees to pay fixed rent in advance on the first (1st) day of each calendar month during the Initial Term of the lease and without notice, a sum of Two Thousand Eight Hundred dollars (\$2,800) per month (hereinafter "Rent").
- b. If the Commencement Date falls on a day other than the first day of a month, then all monthly payments, including the payments of Rent, shall be prorated on a per diem basis from the Commencement Date until the first day of the following month at the rate of one-thirtieth (1/30th) of the monthly installment payable.

- c. This is a net lease. Rent shall be paid to Lessor net of all costs, taxes and expenses incurred by Lessee in connection with its occupancy of the Premises.
- d. Any Rent payable by Lessee to Lessor under this Lease that is not paid within ten (10) Business Days after the same is due, will be automatically subject to a late payment charge of Fifty-Six dollars, (\$56.00) which is 2% of the monthly rent to cover Lessor's additional administrative costs. Late charges will be due and payable as set forth herein and will accrue from the date that such Rent (including late charges) are payable under the provisions of this Lease until actually paid by Lessee. Lessee acknowledges that late payment by Lessee to Lessor of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult to fix. The Parties agree that the late charge represent a fair and reasonable estimate of the costs that Lessor will incur by reason of late payment of Rent by Lessee. Acceptance of any late charge or default interest shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Lessor from exercising any of the other rights and remedies available to Lessor.
- e. Rent Concession. As consideration for the Lessee front funding Fifty Thousand Dollars (\$50,000) of the cost of the Work (as defined the Workletter) and funding the Work Fund (as defined in the Workletter) with an EDA revolving loan administered by Invest Aurora in the amount of One Hundred Fifty Thousand (\$150,000), Lessee shall receive a three (3) year rent abatement for the first three (3) years of the Initial Term. Further, in year four (4) of the Lease the Lessee will pay ½ rent of Sixteen Thousand Eight Hundred Dollars (\$16,800) by making monthly payments of One Thousand Four Hundred Dollars (\$1400/monthly).

5. Utilities.

Lessee shall be responsible for paying for all utilities associated with the Premises. This shall include but not be limited to: water, natural gas, security system expenses, waste removal, electricity, telephone service, cable and internet. To the extent such costs and expenses payable by Lessee cannot be charged directly to, and paid by, Lessee, such costs and expenses shall initially be paid by Lessor and thereafter be reimbursed by Lessee. Lessee shall be responsible for putting all utilities in its name within three (3) business days of the Commencement Date.

6. Taxes.

- a. In accordance with 35 ILCS 200/15-60(c)(i), the leasehold interest acquired by the Lessee in the Premises shall be subject to real estate property taxes pursuant to 35 ILCS 200/9-195.

- b. Definition of "Real Property Taxes." For purposes of this Lease, the phrase "Real Property Taxes" shall include general real estate taxes and assessments payable with respect to the Property that are imposed by any authority having the power to tax any legal or equitable interest of Lessee or Sublessee in the Premises, specifically including any tax on the leasehold interest created under this Lease; provided, however, that assessments shall be prorated and divided into the maximum number of installments permitted by law and only the current portion shall be included in Real Property Taxes for any year. Notwithstanding the foregoing, Real Property Taxes shall not include (a) any inheritance, estate, succession, transfer, gift, franchise, or capital stock tax; (b) any income taxes arising out of or related to ownership and operation of income-producing real estate; (c) any excise taxes imposed upon Lessor based upon gross or net rentals or other income received by it; or (d) assessments lien against the Property prior to the Commencement Date.
- c. Payment of Real Property Taxes. For each year of the Lease, if the Premises (leasehold interest) are not assessed as a separate tax parcel then Lessee shall pay that portion of the Real Property Taxes directly attributable to the Lessee's use of the Premises. If the Premises are assessed as a separate tax parcel, for each Lease year Lessee shall provide Lessor with a copy of the tax statement and Lessee shall pay the Real Property Taxes for the Premises directly to the taxing authority prior to delinquency.
- d. Right to Appeal. Lessee shall have the right to file an appeal and/or challenge the assessment or property tax due or created as a result of the creation of leasehold PIN as a result of this Lease.
- e. Personal Property Taxes. Lessee shall pay, prior to delinquency, all personal property taxes assessed against Lessee directly and applicable to its personal property located in the Premises.
- f. Sales Taxes. Lessee shall pay, prior to delinquency, all sales taxes associated with the business operations on the Premises.

7. **Maintenance.** The Parties agree that maintenance shall be divided as follows:

- a. Lessor shall be responsible for: roof maintenance and repair, structural maintenance and repair, and all other maintenance and repair not contained within the Premises. As soon as possible, once Lessee becomes aware of any maintenance needed that is Lessor's responsibility, Lessee will inform Lessor in writing. Upon notice by Lessee to Lessor, if Lessor fails to complete the maintenance or repair within a reasonable time, Lessee shall have the option of performing the maintenance or

repairs at its cost with said cost being deductible from any amount of Rent due and owing to Lessor at that time or in the future.

- b. Lessee shall be responsible for: snow removal, waste removal, keeping the Premises in good and safe condition, day to day maintenance of light fixtures, security systems, fire inspections, building code compliance, plumbing, cleaning, janitorial services, smoke detectors, carbon monoxide detectors, fire extinguisher inspections, walkways, garbage removal, providing and changing light bulbs, removing ice, snow, and litter from walkways, and all maintenance and repair within the Premises.
- c. Landlord reserves the right to stop the service of the heating, ventilating and air conditioning system ("HVAC System") or the elevator, electrical, plumbing or other mechanical systems or facilities in the Building when necessary, by reason of accident or emergency, or for repairs, additions, alterations, replacements, decorations or improvements in the judgment of Landlord are desirable or necessary to be made, until said repairs, alterations, replacements or improvements shall have been completed. Landlord shall have no responsibility or liability for interruption, curtailment or failure to supply cooled or outside air, heat, elevator, plumbing, electricity, or other services to be provided by Landlord when prevented from doing so by strikes, labor troubles or accidents or by any cause whatsoever reasonably beyond Landlord's control, or by failure of independent contractors to perform or by laws, orders, rules or regulations of any federal, state, county or municipal authority, or by insurance requirements or failure of suitable fuel supply, or inability by exercise of reasonable diligence to obtain suitable fuel or by reason of governmental preemption in connection with a National Emergency or by reason of the conditions of supply and demand which have been or are affected by war or other emergency. The exercise of such right or such failure by Landlord shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any compensation for damages or otherwise, or to any abatement or diminution of Rent, or relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord, its beneficiaries or their partners or agents by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business, or otherwise.
- d. Subject to the provisions of this Section 7, Tenant shall, at Tenant's own expense, keep the Premises in good order, condition and repair and shall pay for the repair of any damage caused by Tenant, its agents, employees or invitees. Tenant shall promptly arrange with Landlord, at Tenant's sole expense, for the repair of all damage to the Premises and the replacement or repair of all damaged or broken glass (including signs thereon), carpeting, fixtures, and appurtenances (including hardware, heating, cooling, ventilating, electrical, plumbing and other mechanical facilities in the Premises), with materials equal in quality and class to the original

materials damaged or broken, within any reasonable period of time specified by Landlord. All such repairs and replacements shall be made with the prior written approval of Landlord, using contractors acceptable to Landlord. If Tenant does not promptly make such arrangements, Landlord may, but need not, make such repairs and replacements and one hundred twenty percent (120%) of Landlord's cost for such repairs and replacements shall be deemed additional rent reserved under this Lease due and payable forthwith. Tenant shall pay Landlord for overtime and for any other expense incurred in the event repairs, alterations, decorating or other work in the Premises are not made during ordinary business hours at Tenant's request.

8. Permitted Use of Premises; Compliance with Laws; Hazardous Materials

- a. The Premises shall be used as follows:
 - i. Suite A of the Building shall be used solely as retail space for the Lessee's PreMil retail shop selling streetwear, vintage-thrift, PreMil apparel and related accessories. Suite A shall be used exclusively for the purpose of selling merchandise at retail that generates sales tax revenue and such other uses as approved by Landlord.
 - ii. Suite E of the Building shall be used solely as a print shop and retail space for operations of The Garage by PreMill, which is a clothing store of labeled collections and custom promotional products for consumers and B2B. The Garage will feature live customization of clothing and accessories to expertly mix technology, innovation, and retail experience. The interior space will be articulated as follows:
 - 1. 10% production printing;
 - 2. 60% retail;
 - 3. 30% workspace (tables, chairs, where staff and customers can create, communicate and collaborate);
 - 4. Lessor and Lessee shall work cooperatively and in good faith to address any additional component to the retail space, including the sale or service of refreshments to customers;
 - 5. Such other uses as approved by Landlord.
- b. The Premises shall be used only for the permitted use, and for no other unauthorized purposes. The Lessee shall prohibit loitering in or around the Premises.
- c. Lessee, at Lessee's sole cost and expense, shall comply with all applicable laws, ordinances, rules, and regulations of governmental and quasi-governmental authorities, including, without limitation, the Americans with Disabilities Act of 1990, (and as amended by any Americans with Disabilities Act Amendments

adopted thereafter) that are applicable to the Premises and the use or occupancy of the Premises.

- d. Lessee shall not cause or permit any Hazardous Materials to be generated, used, released, stored, or disposed of in or about the Premises, the Building, or the Property; provided, however, Lessee may use and store reasonable quantities of cleaning and office supplies and other similar materials as may be reasonably necessary for Lessee to conduct normal business operations and maintain the Premises. Lessee shall indemnify and hold Lessor, its employees, and agents, harmless from and against any damage, injury, loss, liability, charge, demand, claim, cost, or expense (including attorneys' fees and disbursements) based on or arising out of the presence or removal of, or failure to remove, Hazardous Materials generated, used, released, stored, or disposed of by Lessee or its employees, agents, contractors or invitees, in or about the Premises, the Building, or the Property, whether before or after the Commencement Date. Notwithstanding this subsection, Lessor shall hold Lessee harmless from any and all damage, injury, loss, liability, charge, demand, claim, cost, or expense (including attorneys' fees and disbursements) related to any hazardous materials existing on the property not caused by the business operations of Lessee.

9. Alterations; Workletter

- a. The Aurora City Council has approved the renovation of the Premises from office space to retail space in accordance with Exhibits C and D hereto (hereinafter the "Work"). The renovation of the Premises shall be completed and funded in accordance with the Workletter attached hereto as Exhibit B. No other alterations may be made to the Premises except as set forth in the Workletter or as otherwise specifically approved in writing by the Lessor.
- b. Lessee will obtain all required building permits before construction begins and required occupancy permits prior to either store being open for business to the public.
- c. All improvements or alterations related to health and safety should be completed in advance of Lessee occupying the Premises.
- d. Lessee agrees that all Work shall be done at Lessee's sole cost and expense, subject to the funding set forth in the Workletter, and in a good and workmanlike manner, that the structural integrity of the Building shall not be impaired, and that no liens shall attach to all or any part of the Premises, the Building, or the Property by reason thereof. Lessee shall obtain, at its sole expense, all permits required for such work.

- e. All permitted alterations and additions to the Premises shall remain for the benefit of the Lessor unless otherwise agreed to in writing by Lessor. All alterations and additions shall be surrendered to Lessor on or before the Lease expiration date. Notwithstanding the foregoing, movable equipment, trade fixtures, personal property, furniture, or any other items that can be removed without material harm to the Premises will remain Lessee's property and shall not become the property of Lessor but shall be removed by Lessee, at its sole cost and expense, not later than the Lease expiration date.
- f. Any alterations approved by Lessor must be fully completed prior to an occupancy permit being obtained unless any modifications in schedule is approved by Lessor or modifications in schedule are required due to circumstance beyond Lessee's control.

10. Lessee Not to Misuse or Sublet/Assign Premises

- a. Lessee will not allow the Premises to be used for any purpose that will increase the rate of insurance thereon, nor for any purpose other than as set forth herein.
- b. Lessee will not permit the Premises to be used for any unlawful purpose, or for any purposes that will injure the reputation of the Lessor.
- c. Lessee will not make or allow anyone using the Premises to make any permanent surface improvements without prior written authorization by the Lessor.
- d. Lessee shall not have the right to assign this Lease or to sublet the Premises or any part thereof without the prior written consent of Lessor, which the Lessor may withhold in its absolute discretion.

11. Concealed Firearms Prohibited

Pursuant to Illinois Statute, concealed firearms are prohibited from being carried on or into a building controlled by a local unit of government. 430 ILCS 66/65(a)(5). Lessee agrees to display Illinois State Police Concealed Carry Prohibited Area signs on the Premises. 430 ILCS 66/65(d). These signs can be found on the Illinois State Police Firearms Services Bureau website. Signs shall be clearly and conspicuously posted at the entrance of a building, premises, or real property. 430 ILCS 66/65(d).

12. Insurance

- a. Tenant shall procure and maintain in full force and effect at Tenant's own expense commencing on the date Tenant first uses any part of the Premises or the Premises are first made available to Tenant and during the entire Term the types and amounts of insurance specified below, upon terms and conditions satisfactory to Landlord,

with insurance companies authorized to do business in the state in which the property is located, and having an A.M. Best's rating of A:X or better from the Bests' Key Rating Guide, insuring Tenant and, as "Additional Insureds", Landlord and its elected and appointed officers, employees and agents against damages or losses which may arise out of, in connection with or result from Tenant's use and occupancy of the Premises, which insurance policies shall be on an occurrence basis:

- i. Commercial general liability insurance, including but not limited to Premises/Operations, Bodily Injury, Contractual Liability, Independent Contractors, Broad Form Property Damage, and Products/Completed Operations coverages, (and if Tenant sells or services alcoholic beverages in or from the Premises, liquor liability coverage) with limits of not less than \$2,000,000 in the aggregate and per occurrence combined single limit bodily injury, personal injury, and property damage. The Additional Insureds described above are to be named on a primary, non-contributory basis.
- ii. Commercial Automobile Liability insurance on an Occurrence basis, covering all owned, non-owned, and hired automobiles, including the loading and unloading thereof, with limits not less than \$1,000,000 in the aggregate per accident combined single limit bodily injury and property damage. If there are no owned automobiles, non-owned and hired coverage may be included within the Commercial General Liability insurance policy.
- iii. Property Insurance on an All Risks of Loss basis (Causes of Loss-Special Form), including but not limited to the perils of fire, extended coverage, vandalism and malicious mischief, flood, and sewer backup, and business interruption, insuring on a replacement cost basis, and on a no coinsurance basis, Tenant's furniture, trade fixtures, equipment, merchandise, improvements and alterations, and any other items of Tenant's property on the Premises. Such policy shall include a waiver of subrogation in favor of Landlord and Landlord's elected and appointed officers, employees and agents, and where required by Landlord, the mortgagee or ground lessor.
- iv. Business income insurance in such amount as will reimburse Tenant for direct or indirect loss of earnings attributable to all perils insured against in clause (iii) above.
- v. Plate glass insurance for the plate glass on the Premises.
- vi. Worker's Compensation and Employers Liability insurance (covering all employees of Tenant and its contractors). The limits of coverage for the

Worker's Compensation shall be in accordance with the statutes of the state in which the property is located or any other applicable jurisdiction and the Employer's Liability insurance shall have limits of not less than \$500,000 per each accident or illness. Such policy shall include a waiver of subrogation in favor of Landlord and Landlord's elected and appointed officers, agents and employees, and where required by Landlord, the mortgagee or ground lessor.

- b. Tenant shall comply with all applicable laws and ordinances, all orders and decrees of court and all requirements of other governmental authorities, and shall not directly or indirectly make any use of the Premises which may thereby be prohibited or be dangerous to person or property or which may jeopardize any insurance coverage, or may increase the cost of insurance or require additional insurance coverage.
- c. The foregoing insurance may be provided by a company-wide blanket insurance policy or policies maintained by or on behalf of Tenant, provided that such policy(s) identifies with specificity the Premises as insured and the Additional Insureds described above, sets a minimum guaranteed coverage amount for the Premises, inclusive of Commercial General Liability limits, waives any pro rata distribution requirement and is otherwise reasonably satisfactory to Landlord. No policy for Tenant's insurance shall provide for a deductible amount which exceeds \$1,000.00. Each insurance policy shall provide for thirty (30) days prior written notice to Landlord of any material change, cancellation, or non-renewal, and shall contain a clause setting forth that such policy shall be primary with respect to any policies maintained by Landlord or the other Additional Insureds and that any coverage carried by Landlord shall be excess insurance. The amount of any insurance company's liability under the policies specified herein shall not be reduced by the existence of such other insurance. Each insurer shall waive its rights of subrogation against Landlord and Landlord's elected and appointed officers, agents and employees, and where required by Landlord, the mortgagee or ground lessor.
- d. Evidence of insurance coverage and limits required above shall in no way limit Tenant's liabilities and responsibilities under the Lease. Any and all deductibles applicable to the required coverages shall be borne solely by Tenant.
- e. Tenant shall, prior to the Commencement Date of the Term, furnish to Landlord certificates of insurance on Standard Accord forms evidencing such required coverages to be in force on the Commencement Date, and during the Term shall furnish renewal certificates thirty (30) days prior to the expiration of any of the policies of insurance. Such certificates shall state that: a) Landlord and Landlord's appointed and elected officers, agents and employees, and the mortgagee or ground lessor are Additional Insureds on a primary, non-contributory basis on the

Commercial General Liability policy; b) Insurer will provide thirty (30) days prior notice of cancellation, non-renewal, or material change to Landlord; and, c) Insurer waives its rights of subrogation against Landlord and Landlord's members, shareholders, partners, agents and employees, and where required by Landlord, the mortgagee or ground lessor to the extent required above.

- f. Landlord maintains the right to reasonably modify, delete, alter, or change these requirements, but only to the extent that Tenant's premiums shall not increase more than 5% as a result of the modifications, deletions, alternations, or changes
- g. Waiver of Subrogation. Landlord and Tenant agree to have all fire and extended coverage and material damage insurance which may be carried by either of them endorsed with a clause providing that any release from liability of or waiver of claim for recovery from the other Party entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of said policy or the right of the insured to recover thereunder and providing further that the insurer waives all rights of subrogation which such insurer might have against the other Party. Without limiting any release or waiver of liability or recovery contained in any other Section of this Lease but rather in confirmation and furtherance thereof, each of the Parties hereto waive all claims for recovery from the other Party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance policies. Notwithstanding the foregoing or anything contained in this Lease to the contrary, any release or any waiver of claims shall not be operative, nor shall the foregoing endorsements be required, in any case where the effect of such release or waiver is to invalidate insurance coverage or the right of the insured to recover thereunder or increase the cost thereof (provided that in the case of increased cost the other Party shall have the right, within ten (10) days following written notice, to pay such increased cost keeping such release or waiver in full force and effect).

13. Waiver of Claims and Indemnification

- a. Waiver of Claims. To the extent permitted by law, Tenant releases Landlord and its elected and appointed officers, employees, agents mortgagees, consultants and others acting on Landlord's behalf (all of said parties are, for the purposes of this Subsection 13.a. collectively referred to as "Indemnitees") from, and waives all claims for, damage to person or property sustained by Tenant or any occupant of the Building or Premises resulting from the Building or Premises or any part of either or any equipment or appurtenance becoming out of repair, or resulting from any accident in or about the Building or Premises, or resulting directly or indirectly from any act or neglect of any tenant or occupant of the Building or of any other person, including the Indemnitees. This Section 13.a. shall apply especially, but not exclusively, to the flooding of basements or other subsurface areas, and to

damage caused by refrigerators, sprinkling devices, air conditioning apparatus, water, snow, frost, steam, excessive heat or cold, falling plaster, broken glass, sewage, gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, and shall apply equally whether any such damage results from the act or neglect of other tenants, occupants or servants in the Building or of any other person, and whether such damage be caused or result from anything or circumstance above mentioned or referred to, or any other thing or circumstance whether of a like nature or of a wholly different nature, except if caused by Landlord's gross negligence or willful misconduct. If any such damage, whether to the Premises or to the Building or any part thereof, or whether to Landlord or to other tenants in the Building, results from an act or neglect of Tenant, its employees, agents, subtenants, assignees, invitees and customers, Tenant shall be liable therefor and Landlord may, at Landlord's option, repair such damage and Tenant shall, upon demand by Landlord, reimburse Landlord forthwith for the total cost of such repairs. Tenant shall not be liable for any damage caused by its act or neglect if Landlord or a tenant has recovered the full amount of the damage from insurance and the insurance company has waived its right of subrogation against Tenant. All property belonging to Tenant or any occupant of the Premises that is in the Building or the Premises shall be there at the risk of Tenant or other person only, and Landlord shall not be liable for damage thereto or theft or misappropriation thereof.

- b. Indemnification. Lessee shall indemnify, defend, and hold Lessor, its elected and appointed officers, employees and agents of Lessor or any such other person harmless from and against any and all claims, losses, costs, liabilities, damages, and expenses, including, without limitation, penalties, fines, and reasonable attorneys' fees, to the extent incurred in connection with or arising from the use or occupancy or manner of use or occupancy of the Premises or any injury or damage caused by Lessee, or any person occupying the Premises through Lessee.

14. Damage and Destruction

- a. If the Premises is destroyed or damaged by fire or other casualty, by no fault of the Lessee, so that Lessee is unable to occupy the Premises for its Permitted Use and, in Lessor's judgment reasonably exercised within seven (7) days after the destruction or damage, repairs cannot be made within thirty (30) days after the date of the damage or destruction, Lessor may terminate this Lease effective as of the date of the damage or destruction by giving Lessee written notice within ten (10) days of the date of the damage or destruction.
- b. If Lessor does not terminate this Lease as provided in Section 14(a) above, Lessor shall promptly rebuild, repair, and restore the Premises to its former condition; provided, however, that if Lessor has not completed such restoration within thirty

(30) days after the date of the damage or destruction, Lessee may, at its option, terminate this Lease upon written notice to Lessor.

- c. If the damage or destruction renders all or part of the Premises unleaseable, Fixed Rent shall proportionately abate commencing on the date of the damage or destruction and ending on the date the Premises are delivered to Lessee with Lessor's restoration obligation substantially complete. The extent of the abatement shall be based upon the portion of the Premises rendered unleaseable, inaccessible, or unfit for the Permitted Use.

15. Signs

Lessee shall at its own cost and expense, subject to the Workletter and its funding obligations, install signs on the Premises as part of the Work, provided that all signs must comply with all City of Aurora ordinances and be specially approved by Lessor prior to the installation of any sign. The signs to be installed on the Premises shall be submitted to Lessor by Lessee as part of the Approved Plans and installed in accordance therewith.

16. **Parking** – No parking is provided under this Lease.

17. **Lessor's Access to Premises**. Lessor, its agents, employees, and independent contractors shall have the right to enter the Premises upon not less than twenty-four (24) hours' notice to:

- a. inspect the Premises;
- b. supply any service or repair to be provided or performed by Lessor to Lessee;
- c. show the Premises to prospective purchasers, mortgagees, beneficiaries, or Lessees (but with respect to prospective lessees, no earlier than three (3) months prior to the Lease expiration date);
- d. determine whether Lessee is complying with its obligations under this Lease; and
- e. alter, improve, or repair the Premises or any other portion of the Building.

Notwithstanding the foregoing, Lessor shall not be required to provide prior notice to Lessee in the event of an emergency. Except to the extent caused by Lessor's gross negligence or willful misconduct, Lessee waives any claim for damages for any injury or inconvenience to or interference with Lessee's business.

18. **Lessee's Default**. Each of the following events shall be an "Event of Default" hereunder:

- a. Lessee's failure to pay when due any installment of Rent for a period of ten (10) days after the due date.
- b. Lessee's or any of its members failure to pay any debt due and owing the City of Aurora or any other governmental entity unless said debt is disputed by Lessee or any of its Members.
- c. Lessee's failure to perform or observe any other covenant, condition, or other obligation of Lessee under the Lease or Work Letter and such failure continues for a period of ten (10) days after Lessor gives Lessee written notice thereof.
- d. The Premises becomes vacant or abandoned (other than in connection with a casualty under Section 14) for greater than thirty (30) days.
- e. At Lessor's option, the occurrence of any of the following:
 - i. the appointment of a receiver to take possession of all or substantially all the assets of Lessee or the Premises;
 - ii. the filing of any voluntary petition in bankruptcy by Lessee, or the filing of any involuntary petition by Lessee's creditors, which involuntary petition remains undischarged for a period of thirty (30) days;
 - iii. the attachment, execution, or other judicial seizure of all or substantially all of Lessee's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of thirty (30) days after the levy thereof; and
 - iv. the admission of Lessee in writing of its inability to pay its debts as they become due.

19. Lessor's Remedies

- a. If Lessee defaults for failure to pay rent, Lessor may serve Lessee with a demand to pay any outstanding rent within five (5) days. If Lessee defaults on any other term of the Lease, Lessor may serve Lessee with a demand to cure the breach within ten (10) days. Failure to pay all outstanding rent or remedy the breach within the timeframe of the demand may result in Lessor filing a Complaint for Forcible Entry and Detainer.
- b. If Lessee is found to have breached the terms of this Lease, Lessor may hold Lessee liable for:
 - i. Rent and other indebtedness that otherwise would have been payable by Lessee to Lessor prior to the expiration of the Term, less any amount that Lessor receives from re-letting the Premises after all of Lessor's costs and

- expenses actually and reasonably incurred in such re-letting have been subtracted;
- ii. any amounts Lessor actually and reasonably incurs in re-letting the Premises during the remainder of the Term;
 - iii. other necessary and reasonable expenses (including without limitation reasonable attorneys' fees) incurred by Lessor in enforcing its remedies; and
 - iv. Immediate repayment to Lessor of \$50,000.00 if Default occurs within four (4) years of the Commencement Date. After four (4) years, this remedy shall lapse and no longer be available to Lessor.
- c. Lessor shall use reasonable efforts to relet the Premises or any part thereof, alone or together with other premises, for such term(s) as Lessor, in its sole discretion, may determine, but Lessor shall not be liable for, nor shall Lessee's obligations be diminished by reason of, Lessor's failure to re-let the Premises or collect any rent due upon such reletting. If Lessor relets the Premises and collects rent in excess of the rent, additional rent, and other rent items owed by Lessee hereunder, Lessor shall be entitled to retain any such excess and Lessee shall not be entitled to a credit therefor.
- d. Lessor's rights and remedies set forth in this Lease are cumulative and in addition to Lessor's other rights and remedies at law or in equity, including those available as a result of any anticipatory breach of this Lease. Lessor's exercise of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. Lessor's delay or failure to exercise or enforce any of Lessor's rights or remedies or Lessee's obligations shall not constitute a waiver of any such rights, remedies, or obligations. Lessor shall not be deemed to have waived any default unless such waiver expressly is set forth in an instrument signed by Lessor. Any such waiver shall not be construed as a waiver of any covenant or condition except as to the specific circumstances described in such waiver. Neither Lessee's payment of an amount less than a sum due nor Lessee's endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction. Notwithstanding any request or designation by Lessee, Lessor may apply any payment received from Lessee to any payment then due. Lessor may accept the same without prejudice to Lessor's right to recover the balance of such sum or to pursue other remedies. Re-entry and acceptance of keys shall not be considered an acceptance of a surrender of this Lease.

20. Subordination; Estoppel Certificates

- a. This Lease shall be subject and subordinate at all times to: (i) all ground leases or underlying leases that may now exist or hereafter be executed affecting the Building or any portion thereof; (ii) the lien of any mortgage or other security instrument that may now exist or hereafter be executed in any amount for which the Property or any portion thereof, any ground leases or underlying leases, or Lessor's interest or estate therein is specified as security; and (iii) all modifications, renewals, supplements, consolidations, and replacements thereof. The provisions of this Section 20 shall be self-operative and no further instrument shall be required to effect the provisions of this Section 20. Notwithstanding anything to the contrary contained herein, Lessor will, as a condition to the subordination of this Lease, provide Lessee with an executed subordination, non-disturbance, and attornment agreement with Lessor's lender, on customary terms.
- b. If any ground lease or underlying lease terminates for any reason or any mortgage, or other security instrument is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Lessee, notwithstanding any subordination, shall attorn to and become the Lessee of the successor in interest to Lessor at the option of such successor in interest. If any mortgage or other security agreement is foreclosed, or Lessor's interest under this Lease is conveyed or transferred in lieu of foreclosure, neither the mortgagee, beneficiary, nor any person or entity acquiring title to the Property as a result of foreclosure, nor any successor or assign of either of the foregoing, shall be: (i) liable for any default by Lessor; (ii) bound by or liable for any payment of rent which may have been made more than thirty (30) days before the due date of such installment; (iii) subject to any defense or offset which Lessee may have to the payment of rent or other performance under this Lease arising from any default by Lessor; or (iv) bound by any amendment or modification to this Lease made without the consent of such mortgagee if the consent of such mortgagee or beneficiary thereto is required.
- c. Within seven (7) days following a request by Lessor, Lessee agrees to execute any documents reasonably required to effectuate the foregoing subordination or such other reasonable and customary subordination, non-disturbance, and attornment agreement submitted by Lessor to Lessee, which documents may contain such other terms as any mortgagee or prospective mortgagee may reasonably require, or to make this Lease prior to the lien of any mortgage or underlying lease, as the case may be.
- d. Lessee agrees to simultaneously give to any party holding a mortgage or other security agreement encumbering the Property, by registered or certified mail, a copy of any notice of default served upon Lessor, provided Lessee has been notified in writing of the names and addresses of such mortgagee(s) and such parties shall have the same cure rights as Lessor has under this Lease.

- e. Lessee, at any time and from time to time, within seven (7) days after written request from Lessor, shall execute, acknowledge, and deliver to Lessor, addressed to Lessor and any prospective purchaser, ground or underlying Lessor, or mortgagee or beneficiary of any part of the Property, an estoppel certificate in form and substance reasonably designated by the Lessor. It is intended that any such certificate may be relied upon by the Lessor and any prospective purchaser, investor, ground or underlying Lessor or, or mortgagee of all or any part of the Property. Lessee constitutes and appoints Lessor as Lessee's attorney-in-fact to execute a Lessee estoppel certificate on behalf of Lessee if Lessee does not execute such certificate within said seven (7) days after receipt of request of Lessor.

21. End of Term; Holding Over

If Lessee shall hold over after the Lease expiration, Lessee shall pay one hundred and thirty percent (130%) of the Rent payable during the final full month of the Term (exclusive of abatements, if any) and Lessee's occupancy shall otherwise be on the terms and conditions herein specified so far as applicable (but expressly excluding all renewal or extension rights). No holding over by Lessee after the Term shall operate to extend the Term. Any holding over with Lessor's written consent shall be construed as a tenancy at sufferance or from month to month, at Lessor's option. Any holding over without Lessor's written consent shall entitle Lessor to reenter the Premises as provided in Section 17, and to enforce all other rights and remedies provided by law or this Lease.

22. Security Deposit

- a. Within three (3) business days of Lessee's execution of this Lease, Lessee shall deposit with Lessor a "Security Deposit" in the amount of \$2,800.00 as security for the performance by Lessee of all of Lessee's obligations, covenants, conditions, and agreements under this Lease. If an Event of Default occurs under this Lease by Lessee, Lessor shall have the right, but not the obligation, to use, apply, or retain all or any portion of the Security Deposit for the payment of: (i) Rent, or any other sum as to which Lessee is in default; or (ii) the amount Lessor spends or may become obligated to spend, or to compensate Lessor for any losses incurred by reason of Lessee's default. If any portion of the Security Deposit is so used or applied, then within thirty (30) days after Lessor gives Lessee written notice, Lessee shall deposit with Lessor cash in an amount sufficient to restore the Security Deposit to the original amount. Lessee's failure to do so shall constitute an Event of Default under this Lease.
- b. If Lessor transfers the Security Deposit to any purchaser or other transferee of Lessor's interest in the Property, then Lessee shall look only to such purchaser or

transferee for the return of the Security Deposit and Lessor shall be released from all liability to Lessee for the return of the Security Deposit.

23. Notices

Notices or other writings which either Party is required to, or may wish to send to the other in connection with this Lease, shall be in writing and shall be delivered personally or sent by U.S. registered or certified mail, return receipt required addressed as follows:

If to Lessor:

Mayor
City of Aurora
An Illinois Municipal Corporation
44 East Downer Place
Aurora, Illinois 60507

With a Copy to:

City of Aurora
Corporation Counsel
44 E. Downer Place
Aurora, Illinois 60507

If to Lessee:

Premil LLC
c/o Nestor Rodriguez
5 E. Downer Place, Suite A
Aurora, Illinois 60505

With a Copy to:

Drendel & Jansons Law Group
111 Flinn St.
Batavia, IL 60510

24. Severability

It is the intention the Parties hereto that the provisions of this Lease shall be severable in respect to a declaration of invalidity of any provision hereof.

If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall remain in effect and shall be enforceable to the full extent permitted by law.

25. Modification of Lease Terms. This Lease may only be amended, modified, or supplemented by an agreement in writing duly executed by both Lessor and Lessee.

26. **Survival.** Lessee's obligations and Lessor's right to recover under the following sections will survive the termination of this Lease Agreement:

Section 4. Rent
Section 5. Utilities
Section 6. Property Taxes
Section 8(d). Hazardous Materials
Section 9. Alterations
Section 13. Indemnification
Section 19. Lessor's Remedies
Section 27. Governing Law and Jurisdiction
Section 28. Attorneys' Fees

27. Governing Law and Jurisdiction

The Laws of the State of Illinois shall govern the validity, performance and enforcement of this Lease. Any legal action or proceeding relating this Agreement shall be brought exclusively in the 16th Judicial Circuit Court in Kane County, Illinois. Lessee consents to such exclusive jurisdiction and agrees that venue is proper.

28. Attorney's Fees.

Should there be any legal disputes regarding this Lease, the prevailing Party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Lease agreement.

29. **Certain Rights Reserved to Landlord.** Landlord reserves the following rights, exercisable at its election without notice and without liability to Tenant for damage or injury to property, person or business and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoff or abatement of rent or affecting any of Tenant's obligations under this Lease:

- a. To change the name or street address of the Building;
- b. To install and maintain a sign or signs on the interior or exterior of the Building;
- c. To have access for Landlord and the other tenants of the Building to any mail boxes located in the Building according to the rules of the United States Postal Service;
- d. To designate all sources furnishing sign painting and lettering, ice, drinking water, towels, food, beverages, vending machines and toilet supplies, lamps and bulbs used on the Premises;
- e. To decorate, remodel, repair, alter or otherwise prepare the Premises for re-occupancy if Tenant vacates the Premises prior to the expiration of the Term;

- f. To retain at all times, and use in appropriate instances, pass keys to the Premises;
- g. To grant to anyone the right to conduct any particular business or service in the Building other than uses related to the sale or production of streetwear, vintage-thrift, or live customization of clothing;
- h. To exhibit the Premises to others and to display "For Rent" signs on the Premises;
- i. To prescribe the location and style of the suite number and identification sign or lettering for the Premises;
- j. To require all persons entering or leaving the Building during such hours as Landlord may from time to time reasonably determine to identify themselves to security by registration or otherwise, and to establish their right to enter or leave in accordance with the provisions of applicable rules and regulations adopted by Landlord. Landlord shall not be liable in damages for any error with respect to admission to or eviction or exclusion from the Building of any person. In case of fire, invasion, insurrection, mob, riot, civil disorder, or threat thereof, Landlord reserves the right to limit or prevent access to the Building during the continuance of the same, shut down elevator service, activate elevator emergency controls or otherwise take such action or preventive measures deemed necessary by Landlord for the safety of the tenants or other occupants of the Building or the protection of the Building and the property in the Building. Tenant agrees to cooperate in any reasonable safety program developed by Landlord;
- k. Upon reasonable notice to Tenant, to enter the Premises at reasonable hours for reasonable purposes, including inspections and supplying of janitor services or other services to be provided to Tenant hereunder and at any time without notice in the event of any emergency;
- l. To install at Landlord's sole expense, a fire emergency exit (crash door) in any demising wall of the Premises if in its sole discretion Landlord determines that a fire emergency exit (crash door) is required in the interest of public safety;
- m. To control and prevent access to common areas and other non-general public areas;
- n. Provided that reasonable access to the Premises shall be maintained and the business of Tenant shall not be interfered with or disrupted unreasonably, Landlord reserves the right to relocate, enlarge, reduce or change lobbies, exits or entrances in or to the Building and to decorate and to make, at its own expense, repairs, alterations, additions and improvements, structural or otherwise, in or to the Building or any part thereof, and any adjacent building, land, street or alley, including for the purpose of connection with or entrance into or use of the building in conjunction with any adjoining or adjacent building or buildings, now existing or hereafter constructed and may for such purposes erect scaffolding and other structures reasonably required by the character of the work to be performed and during such operations may enter upon the Premises and take into and upon

or through any part of the Building, including the Premises, all materials that may be required to make such repairs, alterations, improvements or additions, and in that connection Landlord may temporarily close public entry ways, other public spaces, stairways or corridors and interrupt or temporarily suspend any services or facilities agreed to be furnished by Landlord, all without the same constituting an eviction of Tenant in whole or in part and without abatement of Rent by reason of loss or interruption of the business of Tenant or otherwise and without in any manner rendering Landlord liable for damages or relieving Tenant from performance of Tenant's obligations under this Lease. Landlord may at its option make any repairs, alterations, improvements and additions in and about the Building and the Premises during ordinary business hours and, if Tenant desires to have such work done during other than business hours, Tenant shall pay all overtime and additional expenses resulting therefrom;

- o. To take any and all measures, including inspections, repairs, alterations, decorations, additions and improvements to the Premises or to the Building and to close or temporarily suspend, as may be necessary or desirable for the safety, protection or preservation of the Premises or the Building or Landlord's interest or the interest of other tenants, or as may be necessary or desirable in the operation of the Building;
- p. To designate and approve all window coverings used in the Building;
- q. To approve the weight, size and location of safes, vaults, computers, word processing equipment and other heavy equipment and articles in and about the Premises and the Building so as not to exceed 70 pounds per square foot live load, and to require all such items and furniture and similar items to be moved into or out of the Building and Premises only at such times and in such manner as Landlord shall reasonably direct in writing;
- r. To establish controls and rules for the purpose of regulating all property and packages, both personal and otherwise, to be moved into or out of the Building and Premises and all persons using the Building after normal office hours;
- s. Landlord shall have the right to institute such policies, programs and measures on a Building-wide basis as may be reasonably necessary for the conservation, recycling and/or preservation of energy and natural resources or energy or natural resource related services, or as may be required to comply with any applicable codes, rules and regulations;
- t. Tenant covenants that all areas in the Premises visible from the interior light court of the Building shall be maintained in a clean, sightly condition. All light court window coverings shall be of uniform design approved by Landlord.
- u. Landlord may enter upon the Premises and may exercise any or all of the foregoing rights reserved without being deemed guilty of an eviction or disturbance of Tenant's use or possession and without being liable in any manner

to Tenant and without abatement of rent or affecting any of Tenant's obligations hereunder.

30. Surrender of Possession

- a. At the expiration or other termination of the Term or Tenant's right to possession hereunder Tenant shall surrender all keys of the Premises to Landlord and make known to Landlord the combination of all locks and vaults remaining on the Premises and shall return to Landlord the Premises and all equipment and fixtures of Landlord broom clean in as good a condition and state of repair as when Tenant completed Work and the Work was approved by the Landlord (as defined and required by the Workletter), ordinary wear and tear and loss or damage by fire, or other casualty excepted, failing which Landlord may restore the Premises, equipment and fixtures to such condition and state of repair and Tenant shall, upon demand, pay to Landlord the cost thereof.
- b. Upon the expiration or sooner termination of the Term hereof or upon termination of Tenant's right to possession, all installations, additions, decorations, hardware, non-trade fixtures, communications equipment and improvements temporary or permanent, all as constructed pursuant to the Approved Plans (as defined in the Workletter) and except unattached and movable personal property belonging to Tenant, in or upon the Premises, whether placed there by Tenant or Landlord, shall be Landlord's property, free of all encumbrances, and shall remain upon the Premises, all without compensation, allowance or credit to Tenant; provided, however, that if upon such expiration or termination or within thirty (30) days thereafter Landlord so directs by notice, Tenant shall promptly remove the installations, additions, hardware, non-trade fixtures and improvements placed in or upon the Premises by Tenant and designated in the notice, failing which Landlord may remove the same and Tenant shall upon demand, pay to Landlord the cost of such removal and of any necessary restoration of the Premises. All fixtures, installations, and personal property belonging to Tenant not removed from the Premises upon expiration or termination of this Lease and not required by Landlord to have been removed as provided herein shall be conclusively presumed to have been abandoned by Tenant and title thereto shall pass to Landlord under this Lease as by a bill of sale. This Subsection shall survive the expiration or sooner termination of the Term.
- c. At the sole option of Landlord, Tenant shall leave in place any floor covering without compensation to Tenant or Tenant shall remove any floor covering and all fastenings paper, glue, bases and other vestiges thereof and restore the floor surface to its previous condition.
- d. All obligations of Tenant hereunder shall survive the expiration of the Term or sooner termination of this Lease.

31. Covenant Against Liens.

Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord. Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Building or the Premises. Any and all liens and encumbrances created by Tenant shall attach to Tenant's interest in the Premises only. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen or others to be placed against the Building or the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant or the Premises, and in case of any such lien attaching, Tenant covenants and agrees immediately to cause it to be released and removed of record. If any such liens so attach and Tenant fails to pay and remove same within twenty (20) days, Landlord, at its election, may pay and satisfy the same and in such event the sums so paid by Landlord, with simple interest from the date of payment at the rate of seven percent (7%) per annum shall be deemed to be additional Rent due and payable by Tenant at once without notice or demand.

32. **Nonwaiver.** No waiver of any condition expressed in this Lease shall be implied by any neglect of Landlord to enforce any remedy on account of the violation of such condition whether or not such violation be continued or repeated subsequently, and no express waiver shall affect any condition other than the one specified in such waiver and that one only for the time and in the manner specifically stated. Without limiting the provisions of Section 18 and 19 above, it is agreed that no receipt of moneys by Landlord from Tenant after the termination in any way of the Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term or affect any notice given to Tenant prior to the receipt of such moneys. It is also agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any moneys due, and the payment of said moneys shall not waive or affect said notice, suit or judgment.
33. **Business Operations.** The businesses to be operated on the Premises by the Tenant shall be open to the public at least forty (40) hours per week with the exception of weeks with holidays or due to maintenance, remodel, repair, or acts of god prevent the businesses from being open for at least forty (40) hours in a given week.
34. **Additional Covenants of Lessee**
- a. **Lessee Existence.** Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence and standing as an Illinois limited liability company corporation authorized to conduct business in the City of Aurora, Illinois, so long as this Lease is in effect and for so long as Lessee maintains an interest in the Premises or has any other remaining obligation pursuant to the terms of this Lease.
 - b. **Further Assistance and Corrective Instruments.** The Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further

instruments as may be reasonably required for carrying out the intention of or effectuating or facilitating the performance of this Lease to the extent legally permitted and within the Lessor and the Lessee's sound legal discretion.

- c. No Gifts. Lessee covenants that no member, employee or agent of Lessee, or any other person connected with Lessee, has made, offered or given, either directly or indirectly, to any member of the Corporate Authorities, or any officer, employee or agent of the City of Aurora, or any other person connected with the City of Aurora, any money or anything of value as a gift or bribe or other means of influencing his or her action in his or her capacity with the City of Aurora.
- d. Disclosure. Simultaneously with execution of this Lease, Lessee shall disclose to the Lessor the names, addresses and ownership interests of all persons that have a direct ownership interest in the Lessee equal to or greater than five percent (5%), together with such supporting documentation that may be reasonably requested by the Lessor. Lessee further agrees to notify the City throughout the Term of this Lease of the names, addresses and ownership interests of any changes of owners that have a direct ownership interest in the Lessee equal to or greater than five percent (5%).
- e. Prevailing Wages. The Lessee shall comply with the Illinois Prevailing Wage Act, 820 ILCS 130/1, et seq., as amended ("Illinois Prevailing Wage Act"), in performing any work on the Premises to the extent the Landlord would be required to comply in performing such work. The Lessee agrees to assume all responsibility for such compliance with the Illinois Prevailing Wage Act in connection with the any work performed by Lessee on the Premises in the event of any action by any party to enforce its provisions, and the Lessee shall indemnify, defend and hold the Lessor harmless in event of any such action. The Lessor warrants and represents that it has reviewed the Illinois Prevailing Wage Act, that it has reviewed the regulations promulgated thereunder, and that it understands the obligations imposed on it by this Subsection e.
- f. Employment Opportunities. To the extent feasible, the Lessee shall make reasonable efforts to notify City of Aurora residents of employment opportunities related to the businesses operating out of the Premises, and, to the extent permitted by law, make reasonable efforts to employ qualified residents of the City of Aurora in relation to said businesses.
- g. Compliance with Contracting, Labor and Employment Laws. The Lessee certifies that the Lessee:
 - i. Is not barred from contracting with any unit of State or local government as a result of violating Section 33E-3 or 33E-4 of the Illinois Criminal Code, 720 ILCS 5/33E-3 and 33E-4, as amended;

- ii. Shall comply with the Illinois Drug Free Workplace Act, 30 ILCS 580/1, et seq., as amended;
- iii. Shall comply with the Equal Opportunity Clause of the Illinois Human Rights Act and the Rules and Regulations of the Illinois Department of Human Rights;
- iv. Shall comply with the Americans with Disabilities Act, 42 U.S.C. § 1201, et seq., as amended, and Article 2 of the Illinois Human Rights Act, 775 ILCS 5/2-101, et seq., as amended;
- v. Shall make sure that any construction contracts entered into by the Lessee relating to the construction of the Work (as defined in the Workletter) shall require all contractors and subcontractors to comply with the Illinois Fair Employment Practices Act, as amended;
- vi. Is not delinquent and shall not become delinquent in the payment of any tax administered by the Illinois Department of Revenue nor is delinquent and shall not become delinquent in the payment of any money owed to the Village; and
- vii. Shall comply with all applicable federal, State and county laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum fair wage standards for minors, payment of wages due employees, and health and safety of employees. The Lessee agrees to pay its employees, if any, all rightful salaries, medical benefits, pensions and social security benefits pursuant to applicable labor agreements and federal and State statutes, and further agrees to make all required withholdings and deposits therefor. The Lessee agrees to maintain full compliance with changing government requirements that govern or apply to the construction of the Work and operation of the businesses on the Premises. The Lessee understands and agrees that the most recent of such federal, State and county laws and regulations will govern the administration of this Lease at any particular time and may be established after the date of this Lease has been executed and may apply to this Lease and the Project. Any lawsuit or complaint of violation of laws that is received by the Lessee relative to the Premises, Building or Property shall be immediately forwarded to the Lessor.
- h. Adequate Resources of Lessee. As of the Commencement Date, the Lessee has sufficient financial and economic resources to implement and complete the Lessee's obligations contained in this Lease. To the extent the Lessee releases financial records to the Landlord, said records shall be and constitute "confidential" records prohibited from disclosure by the Landlord or its officers/employee, provided the Lessee provides the Lessor with a written statement to such effect, that allows the Lessor to rely upon the Illinois Freedom of Information Act exemption set forth in 5 ILCS 140/7(1)(g).

- i. No Adverse Notices to Lessee. The Lessee has not received any notice from any local, State or federal official that the activities of the Lessee with respect to its business operations may or will be in violation of any law or regulation. The Lessee is not aware of any State or federal claim filed or planned to be filed by any person relating to the Lessee or its business operations and any violation of any local, State or federal, regulation or review procedure, and the Lessee is not aware of any violation of any local, State or federal law, regulation or review procedure which would give any person a valid claim under any local, State or federal statute relative to the Lessee's business.

35. Additional Covenants of Lessor & Certain Rights of Lessee.

- a. Lessee shall have the exclusive right within the Building to uses related to the sale or production of streetwear, vintage-thrift, or live customization of clothing;
- b. At Lessee's cost and subject to permitting and compliance with City Code, Lessee shall have the right to apply for additional signage or advertising, the denial of which shall not be based solely on the terms of the Lease.
- c. At Lessee's cost and subject to permitting and compliance with City Code, such other accommodations and uses requested by Lessee in so far as denial of same shall not be based solely on the terms of the Lease.

36. Landlord Right to Terminate/Receipt of Alternate Proposal. In the event that the Landlord receives, by no later than December 6, 2022, an alternate proposal or bid for use and rehabilitation of the Premises pursuant to and in compliance with the public notice provided by Landlord pursuant to 65 ILCS 5/11-74.4-4(c) and the Landlord determines, in its absolute and sole discretion, that it is in the best interests of the City of Aurora to pursue the alternate proposal or bid, then the City of Aurora Corporation Counsel shall have the option to terminate this Lease upon written notice to the Lessee, in which case the Lessee shall immediately surrender possession of the Premises to the Landlord. The Landlord's option to terminate the Lease under this Section 35 shall become null and void if not exercised by December 6, 2022.

37. Third Parties. Nothing in this Lease, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Lease on any other person other than the Parties hereto, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third parties to the Lessor or Lessee, nor shall any provision give any third parties any rights of subrogation or action over or against the Lessor or the Lessee. This Agreement is not intended to and does not create any third-party beneficiary rights whatsoever.

38. No Joint Venture, Agency or Partnership Created. Nothing in this Agreement, or any actions of the Parties to this Agreement, shall be construed by the Parties or any third party to create the relationship of a partnership, agency or joint venture between or among such Parties.

39. Disclosure Affidavit. The Lessee acknowledges that it understands that pursuant to 50 ILCS 105/3.1, prior to execution of the Lease, state law requires Lessee to submit a sworn affidavit to the Lessor disclosing the identity of every owner and beneficiary who shall acquire or obtain any interest, real or personal, in the Premises, and every shareholder/member entitled to receive more than 7½% of the total distributable income of any corporation/limited liability company who shall acquire or obtain any interest, real or personal, in the Premises pursuant to the Lease. Lessee also understands that the state law requires the identification of the actual parties benefiting from any transaction with a governmental unit involving the procurement of the ownership or use of any real property. Accordingly, the Lessee shall provide a Disclosure Affidavit in a form acceptable to the Lessor prior to execution of the Lease.
40. Personal Guarantee. This Lease shall be expressly contingent upon Nestor Rodriguez's execution of the Personal Guarantee attached hereto and incorporated herein as Exhibit E.
41. Lessee's Right of First Refusal to Rent Additional Space in the Building. Within thirty (30) days of the existing (as of the Commencement Date) tenant vacating the real property commonly known as Suite G in the Building, either voluntarily or involuntarily, Lessor shall notify Lessee that Suite G is available to lease before offering it to any other individual, entity, or third-party. Upon notice, Lessee shall have fourteen (14) days to provide notice to Lessor that Lessee wishes to exercise the option contained herein and the Parties shall then have one month from the date of the notice to negotiate a Lease for the premises of Suite G. Lessor agrees that it shall negotiate Lessee's right to lease Suite G in good faith. Tenant shall not have the right of first refusal provided in this Section if Tenant is, at the time of exercising the right of first refusal, in violation of the Lease or if Tenant has not achieved 80% of its business goals as of the date of the right to exercise the right of first refusal as provided on the budget plan and financial projections provided to the Lessor by Lessee prior to the Commencement Date.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date first above written.

LESSEE

PREMIL LLC,
an Illinois Limited Liability Company

BY: Nestor G Rodriguez

Its Manager


ATTEST: _____

LESSOR:

CITY OF AURORA,
an Illinois Municipal Corporation

BY: 

Mayor

ATTEST: 

City Clerk

EXHIBIT A

(Depiction of Premises)

attached

Depiction of Premises



EXHIBIT B

(Workletter)

WORKLETTER

This is the Workletter referred to in the lease to which this Exhibit "B" is attached (the "**Lease**") wherein Lessee is leasing certain retail space (the "**Premises**") from Landlord at the property known as the Stolp Island Parking Deck, 5 East Downer Place, Aurora, Illinois (the "**Building**"). Capitalized terms used herein, unless otherwise defined in this Workletter, shall have the respective meanings assigned to them in the Lease. All terms, conditions, representations, covenants and warranties contained in the Lease shall apply with equal force to this Workletter.

1. **WORK.** Tenant, at its expense and subject to the Work Fund (as defined below), shall perform, or cause to be performed, the work (the "Work") in the Premises provided for in the Approved Plans (as defined in Paragraph 2 hereof). Subject to Tenant's satisfaction of the conditions specified in Paragraph 8 of this Workletter, Tenant shall be entitled to access the "Work Fund." The Work shall include all work necessary to build-out and improve the Premises as a first-class retail space and to comply with all laws and building codes (including density requirements).
2. **PRE-CONSTRUCTION ACTIVITIES.**
 - a. Not later than fifteen (15) days prior to commencing the Work, Lessee or its Agent, shall submit the following information and items to Landlord for Landlord's review and approval:
 - i. A detailed critical path construction schedule containing the major components of the Work and the time required for each, including the scheduled commencement date of construction of the Work, milestone dates and the date of completion of construction.
 - ii. An itemized statement of estimated construction cost, including fees for permits and architectural and engineering fees (the "Cost Statement").
 - iii. The names and addresses of Tenant's contractors (and said contractors' subcontractors and suppliers) to be engaged by Tenant for the Work (individually, a "Tenant Contractor," and collectively, "Tenant's Contractors"). Landlord has the right to approve or disapprove each one of Tenant's Contractors (which approval shall not be unreasonably withheld).
 - iv. Copies of each general construction contract and subcontract for the Work;

- v. Certificates of insurance as hereinafter described. Tenant shall not permit Tenant's Contractors to commence work until the required insurance has been obtained and such certificates of insurance have been delivered to Landlord; and
 - vi. The Plans (as hereinafter defined) for the Work, which Plans shall be subject to Landlord's reasonable approval in accordance with Paragraph 2(b) below.
 - vii. Lessee will update such information and items by notice to Landlord of any changes.
- b. As used herein the term "Approved Plans" shall mean the Plans (as hereinafter defined), as and when approved in writing by Landlord. As used herein, the term "Plans" shall mean the full and detailed architectural and MEP (i.e., mechanical, electrical and plumbing) plans, drawings and specifications for the Work. The Plans shall be subject to Landlord's written approval and the approval of all local governmental authorities requiring approval of the Work and/or the Approved Plans. Landlord shall give Tenant a written notice of its approval or disapproval of the Plans within fourteen (14) business days after Landlord's receipt of a full and complete set of same, and if Landlord disapproves of the Plans, Landlord shall specify the reasons for such disapproval. Landlord agrees not to unreasonably withhold, delay or condition its approval of said Plans; provided, however, that Landlord shall not be deemed to have acted unreasonably if it withholds its approval of the Plans because, in Landlord's reasonable opinion: (i) the Work as shown in the Plans is likely to adversely affect Building systems, the structure of the Building or the safety of the Building and/or its occupants; (ii) the Work might impair Landlord's ability to furnish services to Tenant or other tenants; (iii) the Work would significantly increase the cost of operating the Building; (iv) the Work would violate any applicable laws (or interpretations thereof); (v) the Work contains or uses Hazardous Substances; (vi) the Work would adversely affect the appearance of the Building; (vii) the Work might adversely affect another tenant's premises; or (viii) the Work is prohibited by any Mortgage or Ground Lease. The foregoing reasons, however, shall not be exclusive of the reasons for which Landlord may withhold consent, whether or not such other reasons are similar or dissimilar to the foregoing, but withholding of consent must be justifiable by Landlord. If Landlord notifies Tenant that changes are required to the final Plans submitted by Tenant, Tenant shall, within five (5) business days thereafter, submit to Landlord, for its approval, the Plans amended in accordance with the changes so required. If Landlord fails to give Tenant a written notice of its disapproval of the Plans within five (5) business days after Landlord's receipt of a full and complete copy of same, then Landlord shall be

“deemed” to have approved the Plans. The Plans shall also be revised and the Work shall be changed, all at Tenant’s cost and expense, to incorporate any work required in the Premises by any local governmental field or building inspector. Landlord’s approval of the Plans shall in no way be deemed to be (i) an acceptance or approval of any element therein contained which is in violation of any applicable laws, or (ii) an assurance that work done pursuant to the Approved Plans will comply with all applicable laws (or with the interpretations thereof) or satisfy Tenant’s objectives and needs.

- c. No Work shall be undertaken or commenced by Tenant in the Premises until (i) Tenant has delivered, and Landlord has approved (which approval shall not be unreasonably withheld or delayed), all items set forth in Paragraph 2(a) above, and (ii) all necessary building permits have been applied for and obtained by Tenant.
3. DELAYS. Failure by the Tenant to complete the Work or any portion of the Work as scheduled in the approved critical path required in Paragraph 2 above shall give the Landlord the option to takeover and complete the Work and charge the Tenant for the Landlord’s costs associated with taking over and completing the Work. The approved critical path schedule required by Paragraph 2 above shall be modified by Landlord if delays are caused by no fault of the Tenant.
4. FEES. Tenant shall reimburse Landlord for its actual, reasonable, out-of-pocket fees and expenses incurred in connection with reviewing the Plans.
5. CHANGE ORDERS. Each change to the Approved Plans requested by Tenant must be approved by Landlord in advance of the implementation of such changes as part of the Work (which approval may be withheld or delayed within the absolute and sole discretion of the Landlord). All delays caused by Tenant-initiated change orders, including, without limitation, any stoppage of work during the change order review process, are solely the responsibility of Tenant. All increases in the cost of the Work resulting from such change orders shall be borne by Tenant if any change order increases the net cost of the Work, Tenant shall deposit with Landlord within five (5) days after Landlord’s approval of such change order, and as a condition subsequent to Landlord’s approval thereof, the amount of such net increase in the cost of the Work, as an additional deposit into the Work Fund, to be held and applied Escrow Trustee as is provided in Construction Escrow Agreement.
6. STANDARDS OF DESIGN AND CONSTRUCTION AND CONDITIONS OF TENANT’S PERFORMANCE. The Work shall be performed in accordance with the standards set forth in this Paragraph 6, except as the same may be modified in the Approved Plans.

- a. The Approved Plans and all design and construction of the Work shall comply with all applicable laws and industry standards, including, but not limited to, the reasonable requirements of Landlord's fire insurance underwriters.
- b. Tenant shall, at its own cost and expense, obtain all required building permits and occupancy permits. Tenant's failure to obtain such permits shall not cause any extension of the Commencement Date nor relieve Tenant from any of its obligations under the Lease.
- c. Tenant's Contractors shall be licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord's contractors, if any, and subcontractors and with other contractors and subcontractors in the Building. The Work shall be coordinated with any other construction or other work then being performed in the Building in order not to adversely affect said construction work being performed by or for Landlord or its tenants.
- d. Tenant shall use only new, first-class materials in the Work unless the design specifically provides for vintage, classic, or used materials and said design is approved by Landlord. The Work shall be performed in a good and workmanlike manner.
- e. Tenant and Tenant's Contractors shall make all reasonable efforts and take all reasonable steps appropriate to assure that all construction activities undertaken do not interfere with the operation of the Building or with other tenants and occupants of the Building. In any event, Tenant shall comply with all rules and regulations existing from time to time at the Building. Tenant shall perform any core drilling work (and any other work involving excessive noise and/or vibration) only during such hours as are designated by Landlord. Tenant and Tenant's Contractors shall take all reasonable steps to minimize dust, noise and construction traffic, and to protect their facilities and the facilities of others affected by the Work and to properly police the same. Construction equipment and materials are to be kept within the Premises and delivery and loading of equipment and materials shall be done at such locations and at such time as Landlord shall direct so as not to burden the operation of the Building.
- f. Landlord shall have the right to order Tenant or any of Tenant's Contractors who violate the requirements imposed on Tenant or Tenant's Contractors in performing the Work to cease performance of the Work and to remove its equipment and employees from the Building. No such action by Landlord shall cause any extension of the Commencement Date nor relieve Tenant from any of its obligations under the Lease.

- g. Tenant shall pay for all electricity and trash service and for all after-hour elevator operation during the course of performance of the Work but shall not be charged by Landlord for hoisting or security service or for elevator operation during normal business hours. Tenant shall arrange and pay for removal of construction debris and shall not place debris in the Building's waste containers. If required by Landlord, Tenant shall sort and separate its waste and debris for recycling and/or environmental law compliance purposes.
 - h. Upon prior reasonable written or oral notice, Tenant shall permit access to the Premises and the Work shall be subject to inspection by Landlord and Landlord's architects, engineers, contractors and other representatives, at all times during the period in which the Work is being constructed and installed and following completion of the Work.
 - i. Tenant shall complete the Work in accordance with the approved construction schedule as required by this Workletter. Tenant shall notify Landlord upon completion of the Work and shall give Landlord at least three (3) days' prior written notice of the date upon which Tenant intends to take occupancy of the Premises for the conduct of business, and shall not conduct any business operations until a certificate of occupancy is issued by the Landlord for the Premises.
 - j. Tenant shall have no authority to deviate from the Approved Plans in performance of the Work, except as authorized by Landlord through an approved written change order. Tenant shall furnish to Landlord "as-built" CAD drawings of the Work within thirty (30) days after completion of the Work.
 - k. Tenant shall impose on and enforce all applicable terms of this Workletter against Tenant's architect and Tenant's Contractors.
7. **INSURANCE AND INDEMNIFICATION.** In addition to any insurance which may be required under the Lease, Tenant shall secure, pay for and maintain or cause Tenant's Contractors to secure, pay for and maintain during the performance of the Work, insurance in the following minimum coverages and the following minimum limits of liability:
- a. Worker's Compensation and Employer's Liability Insurance with limits of not less than \$500,000.00 or such higher amounts as may be required from time to time by any Employee Benefit Acts or other statutes applicable where the Work is to be performed, and in any event sufficient to protect Landlord, Tenant and Tenant's Contractors from liability under the aforementioned acts.

- b. Commercial General Liability Insurance (including Contractors' Protective Liability) in an amount not less than \$1,000,000.00 per occurrence, whether involving bodily injury liability (or death resulting therefrom) or property damage liability or a combination thereof with a minimum aggregate limit of \$2,000,000.00 and with an umbrella coverage with limits not less than \$3,000,000.00. Such insurance shall provide for explosion and collapse, completed operations coverage and broad form blanket contractual liability coverage against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts whether such operations are performed by Tenant's Contractors, or by anyone directly or indirectly employed by any of them.
- c. Automobile Liability Insurance, including the ownership, maintenance and operation of any automotive equipment, owned, hired or non-owned in an amount not less than \$500,000.00 for each person in one accident, and \$1,000,000.00 for injuries sustained by two or more persons in any one accident and property damage liability in an amount not less than \$1,000,000.00 for each accident. Such insurance shall insure Tenant's Contractors against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts, whether such operations are performed by Tenant's Contractors, or by anyone directly or indirectly employed by any of them.
- d. "All-risk" builder's risk insurance upon the entire Work to the full insurable value thereof. This insurance shall include the interests of Landlord and Tenant (and their respective contractors and subcontractors of any tier to the extent of any insurable interest therein) in the Work and shall insure against the perils of fire and extended coverage and shall include "all-risk" builder's risk insurance for physical loss or damage including, without duplication of coverage, theft vandalism and malicious mischief. If portions of the Work are stored off the site of the Building or in transit to said site are not covered under said "all-risk" builder's risk insurance, then Tenant shall effect and maintain similar property insurance on such portions of the Work. Any loss insured under said "all-risk" builder's risk insurance is to be adjusted with Landlord and Tenant and made payable to Landlord, as trustee for the insureds, as their interests may appear.
- e. All policies shall be endorsed to include as additional insured parties the parties listed on, or required by, the Lease, and such additional persons as Landlord may reasonably designate. The waiver of subrogation provisions contained in the Lease shall apply to all insurance policies (except the workmen's compensation policy) to be obtained by Tenant pursuant to this paragraph. The insurance policy endorsements shall also provide that all additional insured parties shall be given thirty (30) days prior written notice of any cancellation of

coverage and shall provide that the insurance coverage afforded to the additional insured parties thereunder shall be primary to any insurance carried independently by said additional insured parties. Additionally, where applicable, each policy shall contain a cross-liability and severability of interest clause.

- f. Without limitation of the indemnification provisions contained in the Lease, to the fullest extent permitted by law Tenant agrees to indemnify, protect, defend and hold harmless Landlord, the parties listed, or required by, the Lease to be named as additional insureds, and their respective beneficiaries, partners, directors, officer, employees and agents, from and against all claims, liabilities, losses, damages and expenses of whatever nature arising out of or in connection with the Work or the entry of Tenant or Tenant's Contractors into the Building and the Premises, including, without limitation, mechanic's liens, the cost of any repairs to the Premises or Building necessitated by activities Tenant's Contractors, bodily injury to persons or damage to the property of Tenant, its employees, agents, invitees, licensees or others. It is understood and agreed that the foregoing indemnity shall be in addition to the insurance requirements set forth above and shall not be in discharge of or in substitution for same or any other indemnity or insurance provision of the Lease.
- g. Tenant shall, prior to each of its Contractors beginning Work, provide Landlord with certificate(s) of insurance on Standard Accord forms evidencing Contractors' required coverages, to be in force throughout such Work, and shall furnish renewal certificates thirty (30) days prior to the expiration of any of the policies of insurance. Such certificates shall state that: a) Landlord and Landlord's elected and appointed officers, employees and agents, and the mortgagee or ground lessor are Additional Insureds on a primary, non-contributory basis on the Commercial General Liability policy; b) Insurer will provide thirty (30) days prior notice of cancellation, non-renewal, or material change to Landlord; and, c) Insurer waives its rights of subrogation against Landlord and its elected and appointed officers, employees and agents, and where required by Landlord, the mortgagee or ground lessor.

8. THE WORK FUND

- a. The total cost of the Work is estimated to be \$300,000.00, including a ten percent (10%) contingency. The cost of the Work shall be paid for out of the "Work Fund" which shall be established, funded and accessed as follows:
 - i. The Parties shall establish, at the sole cost and expense of the Tenant, a construction escrow with Chicago Title Insurance Company ("CT"). CT

shall serve as the "Escrow Trustee" for the Work Fund. The funds held in the construction escrow shall be the Work Fund. The Parties shall enter into and a "Construction Escrow Agreement" related to the Work Fund in a form acceptable to the Landlord and the Escrow Trustee.

ii. The Work Fund shall be funded as follows:

- \$30,000 from TIF funds
- \$52,028 in 2022 Finish Lines grant funding
- \$68,045 from the 2023 planned Finish Line allocation
- \$150,000 from the EDA revolving loan program administered by Invest Aurora, which shall be repaid by Tenant in accordance with the terms and conditions of said loan program.

iii. The various funds comprising the Work Fund shall be obtained and deposited into the Construction Escrow as follows:

- \$150,000 EDA revolving loan prior to commencing construction
- \$30,000 in TIF funds will be disbursed upon commencement of construction
- 2022 Finish Line Grant, in the amount of \$52,028 when received.
- 2023 Finish Line Grant, in the amount of \$68,045 when received.

iv. The Parties shall work cooperatively in ensuring that the money comprising the Work Fund is deposited into the Construction Escrow. The Work Fund shall only be used to pay for TIF eligible expenses under 65 ILCS 5/11-74.4-1, et seq.

- b. As the Work progresses, Tenant shall submit to Landlord and the Escrow Trustee, not more than once per month, draw requests together with signed lien waivers, contractors' affidavits, owner (tenant) statements and architect's certificates (collectively, the "Construction Payment Documentation"), in such form as may be required by Landlord and Escrow Trustee, from all parties performing labor or supplying materials or services in connection with the portion of the Work covered by the applicable draw request, showing that such Work has been completed, a full certificate of occupancy has been issued by Landlord and final waivers of liens from all suppliers, vendors and contractors. Provided Tenant complies with the requirements set forth in the preceding sentence and in this Workletter and the Construction Escrow Agreement if the cost of the Work (as same may be increased under Paragraph 5 above), exceeds the amount of the Work Fund, then Tenant shall have sole responsibility for the

payment of such excess cost. The Work Fund shall only be used for the following Work approved by the City in the Approved Plans.

- c. Within thirty (30) days after completion of the Work, Tenant shall furnish Landlord with full and final waivers of liens and contractors' affidavits, owner (tenant) statements and architect's certificates, in such form as may be reasonably required by Landlord, from all parties performing labor or supplying materials or services in connection with the Work showing that all of said parties have been compensated in full and waiving all liens in connection with the Premises and the Building. Tenant shall concurrently submit to Landlord a detailed breakdown of Tenant's total construction costs, together with such evidence of payment as is reasonably satisfactory to Landlord.
- d. Tenant shall not cause or permit any mechanic's lien to be recorded against the Building in connection with the Work, and if any such mechanic's lien is filed, Tenant, at its expense, shall cause such mechanic's lien to be released or provide Landlord with appropriate title insurance over such mechanic's lien, within ten (10) days after such mechanic's lien is recorded. If Tenant fails to cause such mechanic's lien to be so released, then Landlord may, at its option and without investigating the validity of such lien, pay such lien and cause same to be released and may use funds in the Work Fund for such purpose.
- e. In order to access the Work Fund, the Tenant shall be in full compliance of all terms and conditions of the Lease and this Workletter at the time a draw is requested from the Work Fund.

9. MISCELLANEOUS

- a. If Tenant fails to complete any portion of the Work in accordance with the Approved Plans and construction schedule as required hereunder, Landlord, at its option, may complete the Work pursuant to the Approved Plans and access the funds in the Work Fund to pay for the Work. Tenant's failure to pay any amounts owed by Tenant hereunder when due or Tenant's failure to perform its obligations hereunder shall also constitute a default under the Lease and Landlord shall have all the rights and remedies granted to Landlord under the Lease for nonpayment of any amounts owed thereunder or failure by Tenant to perform its obligations thereunder.
- b. Notices under this Workletter shall be given in the same manner as under the Lease.
- c. Prevailing Wage. The Illinois Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, applies to the Work. Accordingly, Tenant covenants and agrees to pay, and to

contractually obligate and cause the Tenants contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the Landlord's request, Tenant shall provide the Landlord with copies of all such contracts entered into by Landlord or its contractors to evidence compliance with this Subsection c. The Tenant agrees to assume all responsibility for such compliance with the Illinois Prevailing Wage Act in connection with the Work performed by Lessee on the Premises in the event of any action by any party to enforce its provisions, and the Lessee shall indemnify, defend and hold the Lessor harmless in event of any such action. The Lessor warrants and represents that it has reviewed the Illinois Prevailing Wage Act, that it has reviewed the regulations promulgated thereunder, and that it understands the obligations imposed on it by this Subsection c.

- d. Employment Opportunities. To the extent feasible, the Lessee shall make reasonable efforts to notify City of Aurora residents of employment opportunities that are available relative to the Work, and, to the extent permitted by law, make reasonable efforts to employ qualified residents of the City of Aurora in relation to the Work.
- e. Compliance with Contracting, Labor and Employment Laws. The Lessee certifies that the Lessee and all contractors and subcontractors performing any Work:
 - i. Is not barred from contracting with any unit of State or local government as a result of violating Section 33E-3 or 33E-4 of the Illinois Criminal Code, 720 ILCS 5/33E-3 and 33E-4, as amended;
 - ii. Shall comply with the Illinois Drug Free Workplace Act, 30 ILCS 580/1, et seq., as amended;
 - iii. Shall comply with the Equal Opportunity Clause of the Illinois Human Rights Act and the Rules and Regulations of the Illinois Department of Human Rights;
 - iv. Shall comply with the Americans with Disabilities Act, 42 U.S.C. § 1201, et seq., as amended, and Article 2 of the Illinois Human Rights Act, 775 ILCS 5/2-101, et seq., as amended;
 - v. Shall make sure that any construction contracts entered into by the Lessee relating to the construction of the Work shall require all

contractors and subcontractors to comply with the Illinois Fair Employment Practices Act, as amended;

- vi. Is not delinquent and shall not become delinquent in the payment of any tax administered by the Illinois Department of Revenue nor is delinquent and shall not become delinquent in the payment of any money owed to the Village; and
 - vii. Shall comply with all applicable federal, State and county laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum fair wage standards for minors, payment of wages due employees, and health and safety of employees. The Lessee agrees to pay its employees, if any, all rightful salaries, medical benefits, pensions and social security benefits pursuant to applicable labor agreements and federal and State statutes, and further agrees to make all required withholdings and deposits therefor. The Lessee agrees to maintain full compliance with changing government requirements that govern or apply to the construction of the Work and operation of the businesses on the Premises. The Lessee understands and agrees that the most recent of such federal, State and county laws and regulations will govern the administration of this Lease at any particular time and may be established after the date of this Lease has been executed and may apply to this Lease and the Project. Any lawsuit or complaint of violation of laws that is received by the Lessee relative to the Premises, Building or Property shall be immediately forwarded to the Lessor.
- f. Adequate Resources of Lessee. As of the Commencement Date, the Lessee has sufficient financial and economic resources to implement and complete the Lessee's obligations contained in this Lease. To the extent the Lessee releases financial records to the Landlord, said records shall be and constitute "confidential" records prohibited from disclosure by the Landlord or its officers/employee, provided the Lessee provides the Lessor with a written statement to such effect, that allows the Lessor to rely upon the Illinois Freedom of Information Act exemption set forth in 5 ILCS 140/7(1)(g).
- g. No Adverse Notices to Lessee. The Lessee has not received any notice from any local, State or federal official that the activities of the Lessee with respect to its business operations may or will be in violation of any law or regulation. The Lessee is not aware of any State or federal claim filed or planned to be filed by any person relating to the Lessee or its business operations and any violation of any local, State or federal, regulation or review procedure, and the Lessee is not aware of any violation of any local, State or federal law, regulation or review procedure which would give any person a valid claim under any local, State or federal statute relative to the Lessee's business.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date first above written.

LESSEE

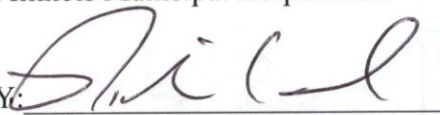
PREMIL LLC
an Illinois Limited Liability Company

BY: Nestor G Rodriguez
its Manager

ATTEST: _____

LESSOR:

CITY OF AURORA,
an Illinois Municipal Corporation

BY: 
Mayor

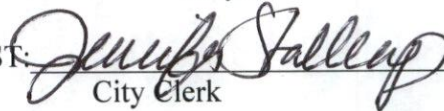
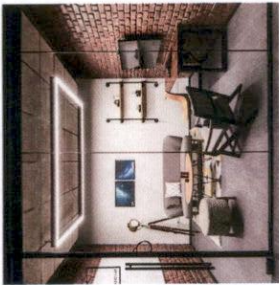
ATTEST: 
City Clerk

EXHIBIT C

(Attached)



PREMIL AURORA, IL

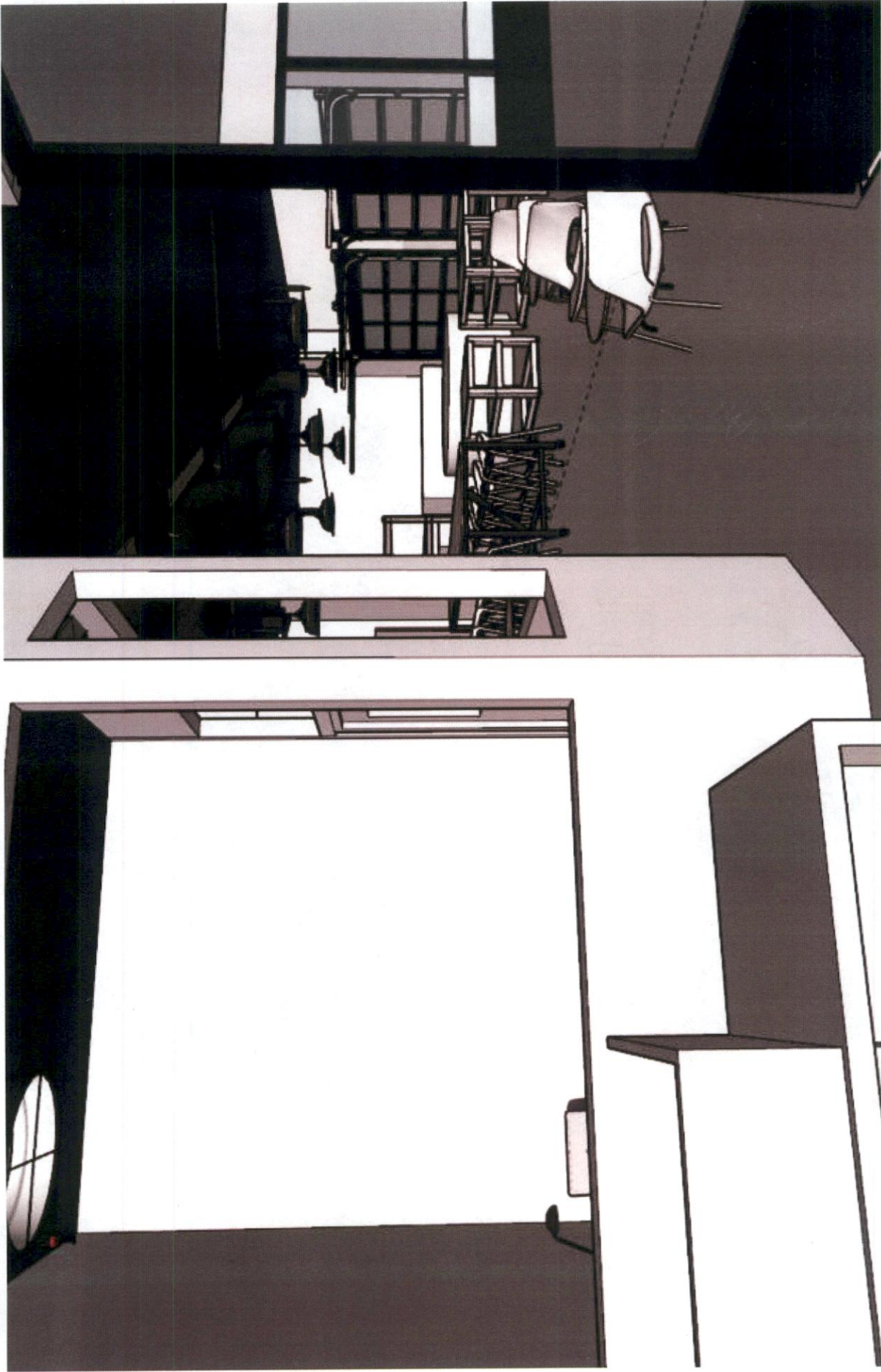


LAYOUTS & 3D VIEWS
07.20.2022

VARA DESIGN
15 W. DOWNER PL. | AURORA, IL 60506 | 630 907 7953

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DRAWING TITLE

VARA DESIGN
15 W. DOWNER PL | AURORA, IL 60506 | 630.907.7953

ARCHITECT MODEL VIEW 1

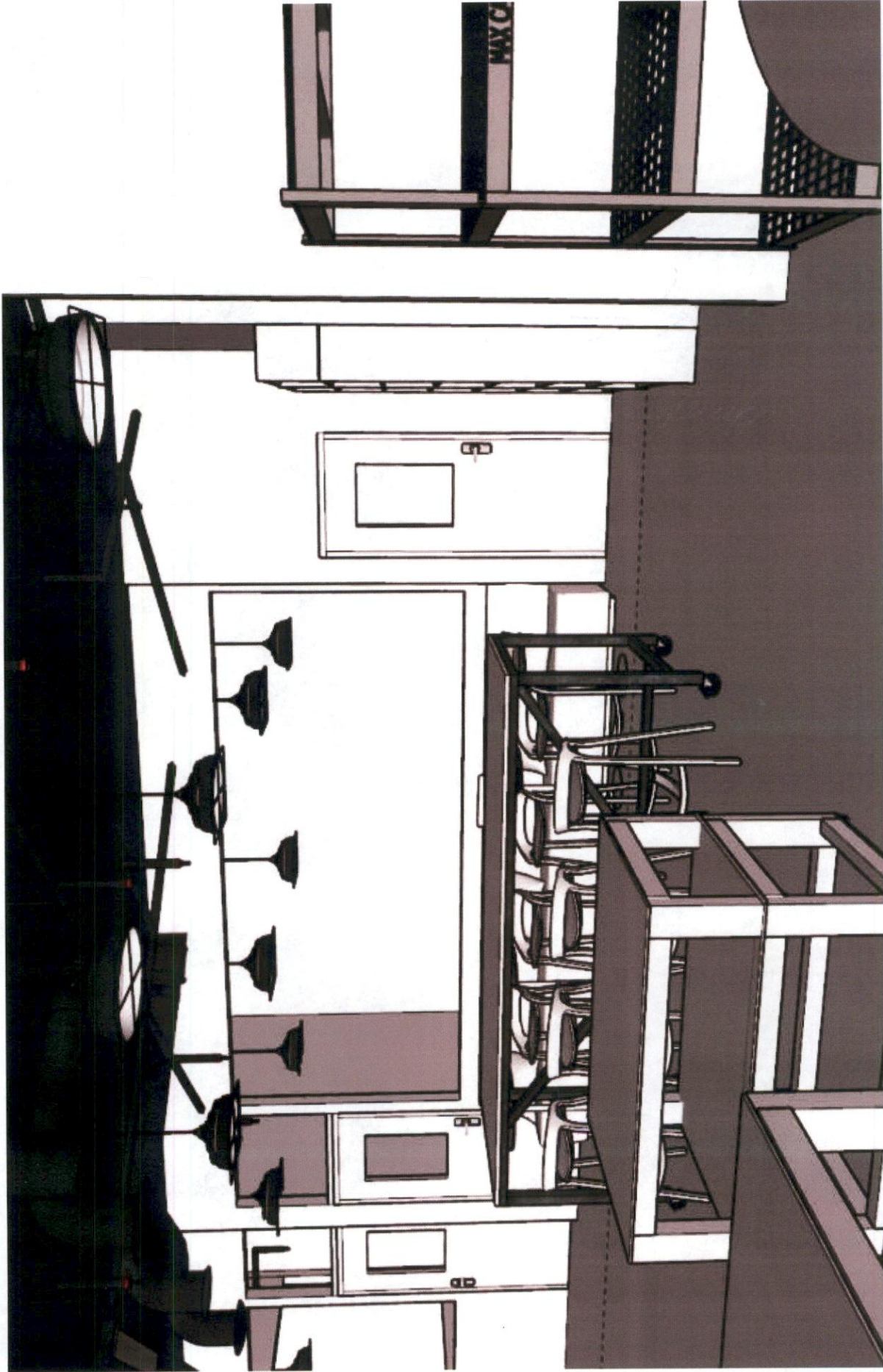
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LAYOUT & 3D VIEWS | 07.20.2022 | PAGE

PREMIL | AURORA, IL





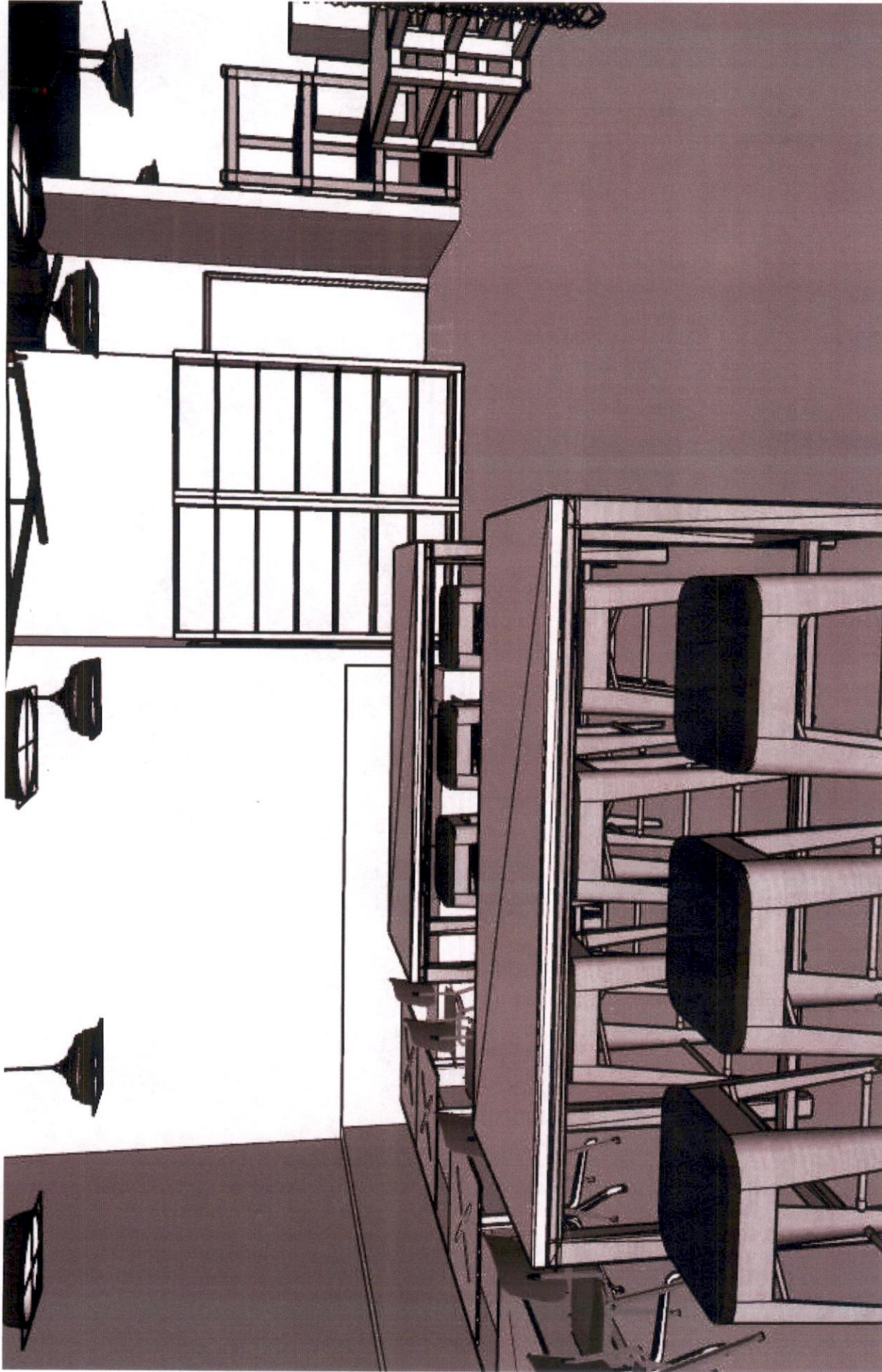


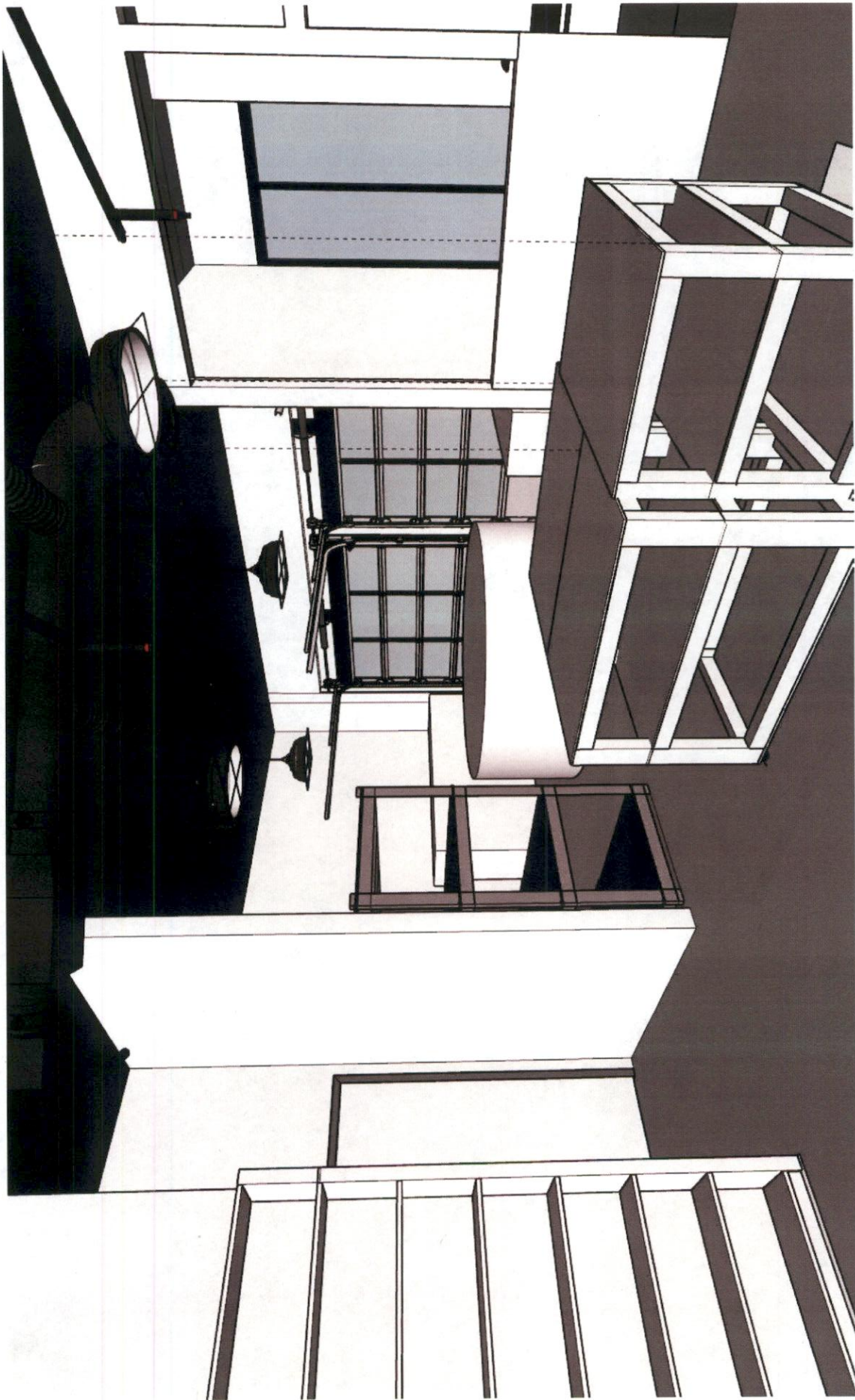
LAYOUT & 3D VIEWS | 07.20.2022 | PAGE

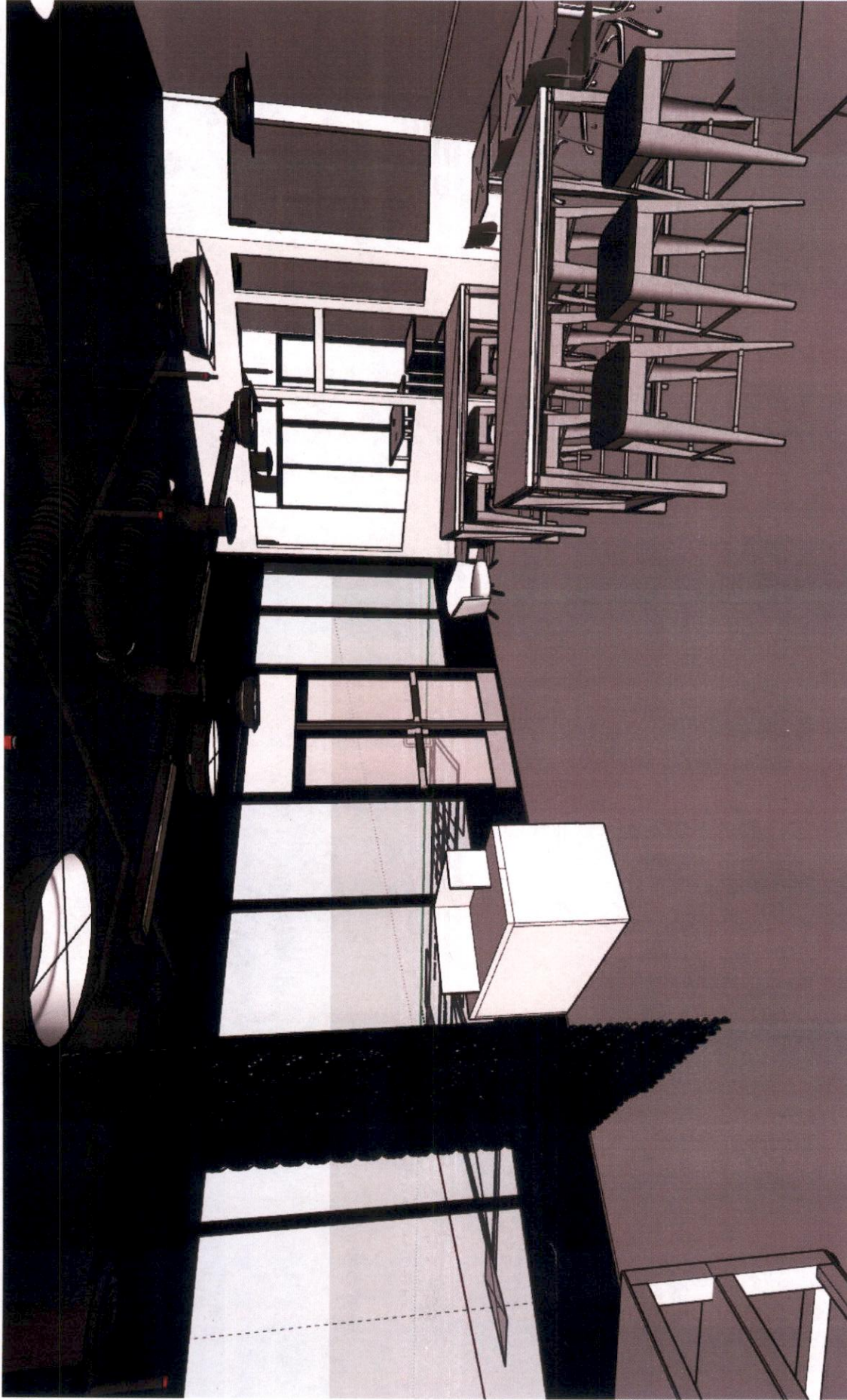
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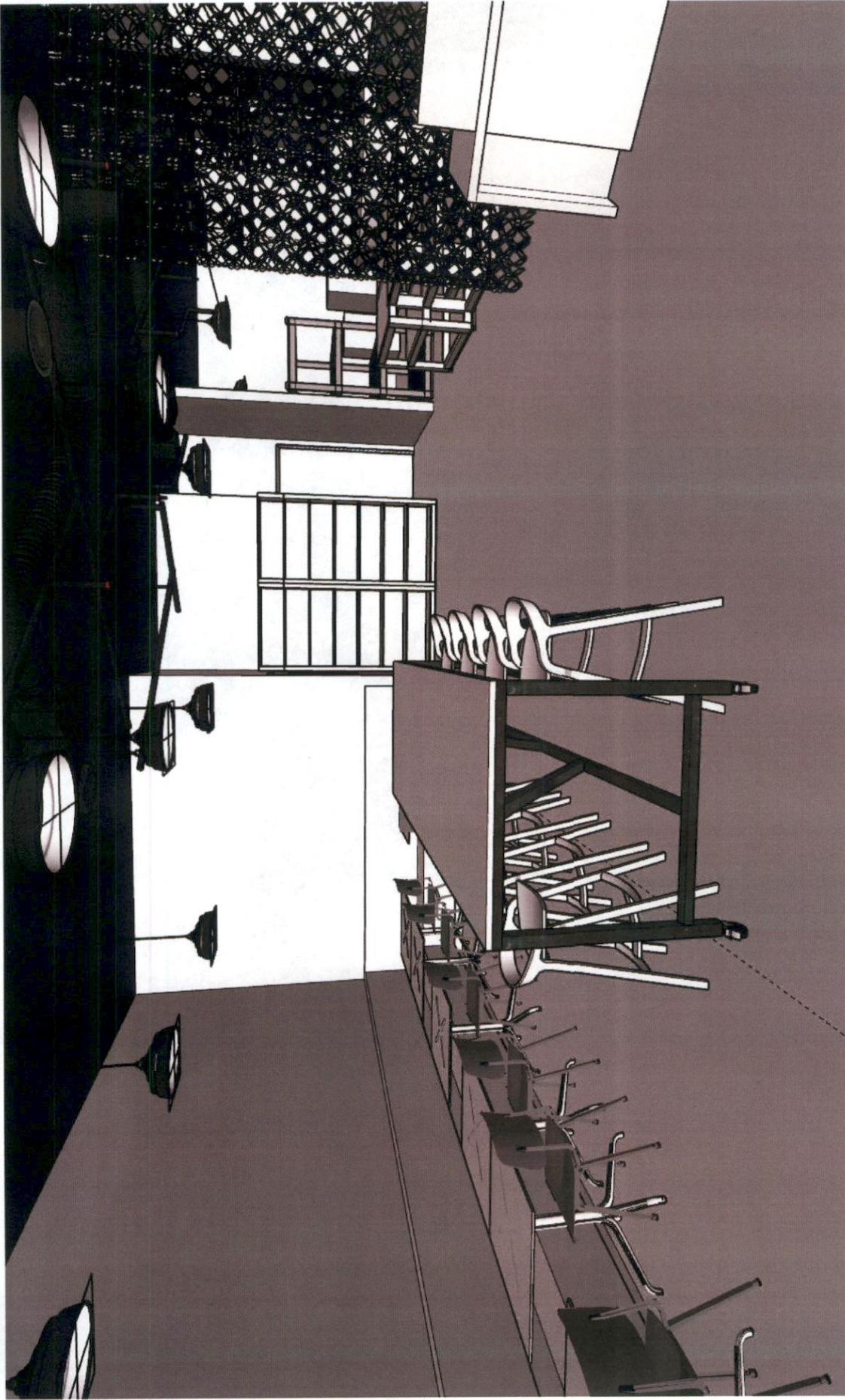
ARCHITECT MODEL VIEW 3

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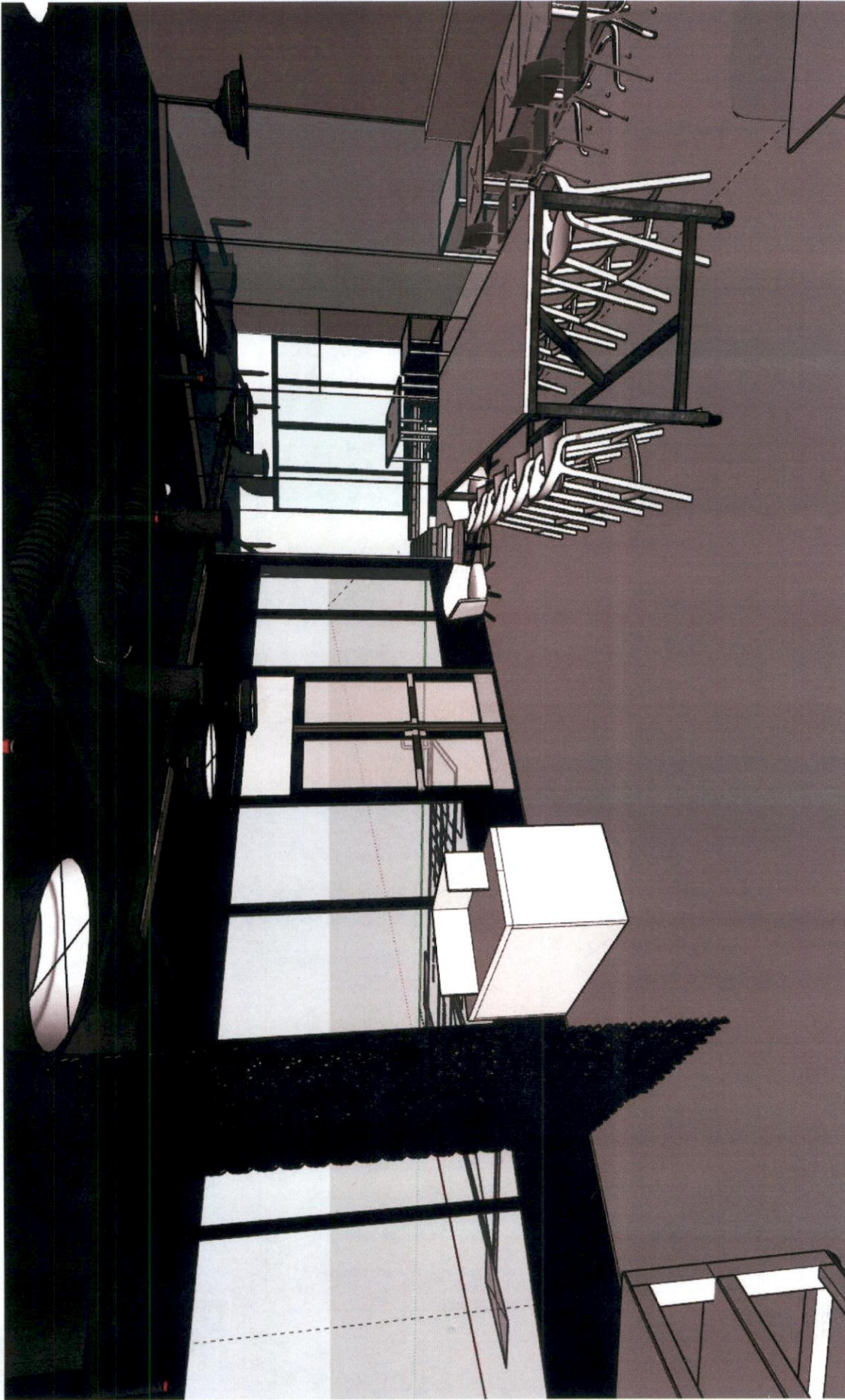


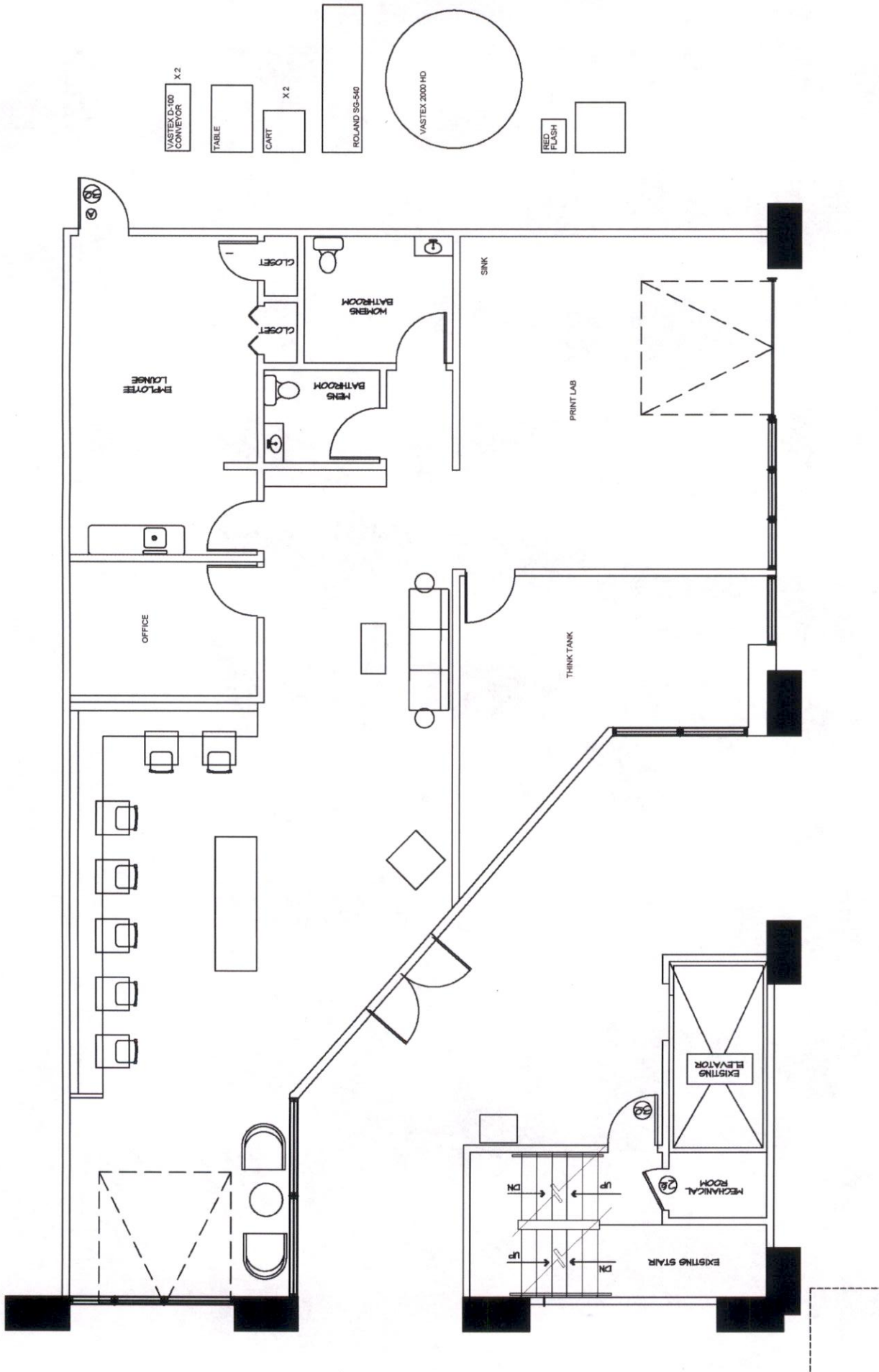






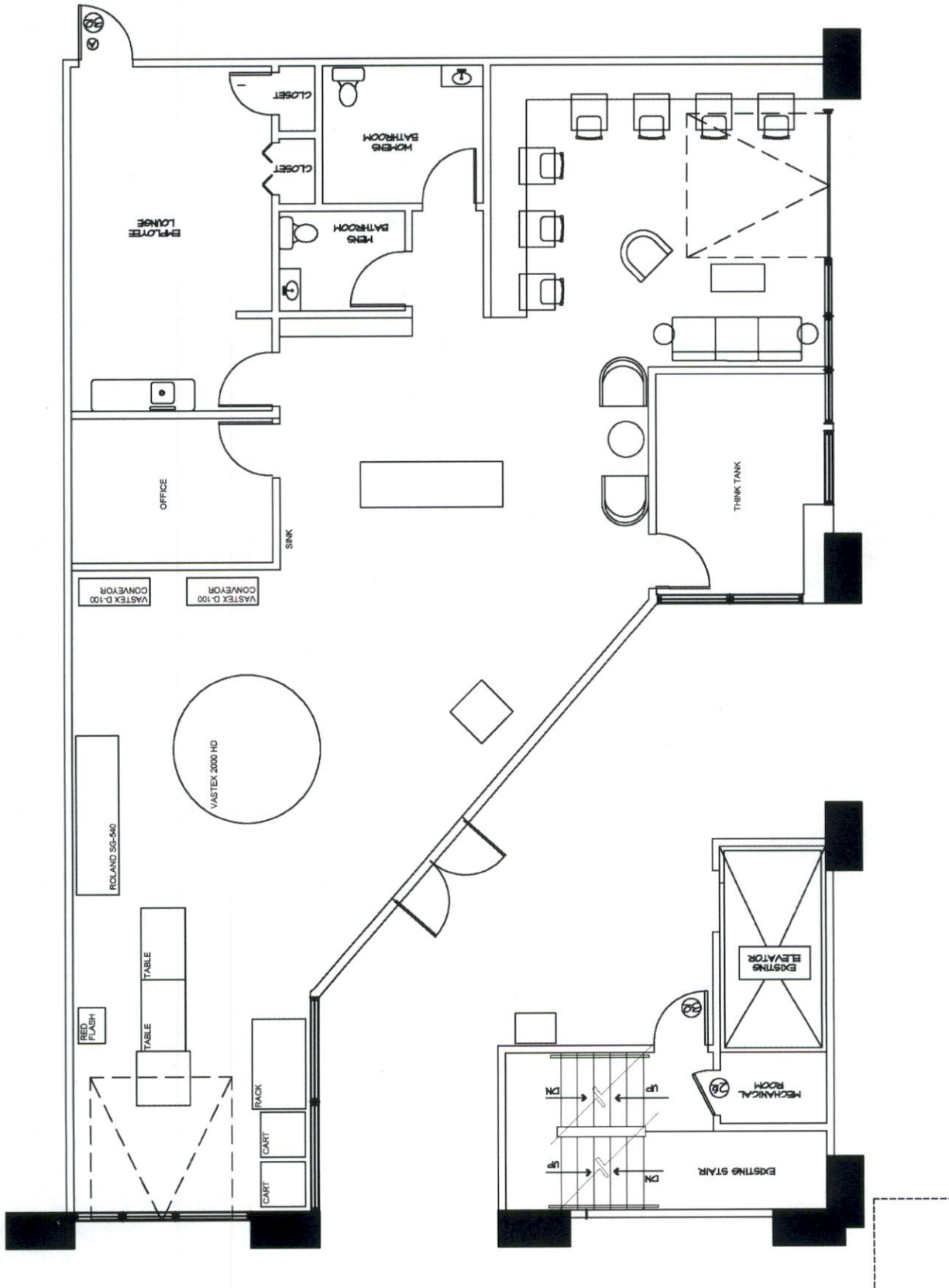






LAYOUT OPTION 1





LAYOUT OPTION 2



EXHIBIT D

Budget

	PreMil	The Garage	TOT
Ash Laur Construction	\$ 67,100	\$ 135,700	\$ 202,800
GlassHopper	\$ 22,200	\$ 22,200	\$ 44,400
Two Brothers Construction	\$ 9,350	\$ 9,350	\$ 18,700
			\$ 265,900

EXHIBIT E PERSONAL GUARANTEE OF LEASE

In consideration of ten (\$10.00) Dollars, in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned unconditionally guarantees the full and prompt payment of all the payments due under the Lease and Renovation Agreement, dated November 22, 2022 (the "Lease") by and between the City of Aurora (the "Landlord") as Landlord, and PreMil, LLC ("Tenant"), an Illinois limited liability company, as Tenant, and all other terms and conditions set forth in said Lease. The undersigned agrees that he will be bound by and be liable for each and every provision of the Lease. This guarantee shall be binding upon the undersigned and upon the heirs, legal representatives, successors and assigns of the undersigned, and shall inure to the benefit of Landlord, its successors and assigns.

The undersigned, Nestor Rodriguez, in his individual capacity, consents and agrees that after written notice and (5) five business days the undersigned shall render any payment or performance required under this Lease if Tenant fails. It is expressly agreed Guarantor's liability shall include payment of all reasonable attorney's fees and costs Landlord incurs in enforcing this guarantee.

The undersigned further agrees that his liability shall not be affected or impaired, nor shall the undersigned be discharged by any of the following occurrences: (a) the death, incompetency, insolvency, bankruptcy, liquidation, dissolution or withdrawal of Tenant; (b) acceptance of any partial payment or performance by Landlord; or (c) the unenforceability of any document or instrument executed by the Tenant.

The validity and construction of this guarantee shall be governed by the laws of the State of Illinois.

Executed this 23rd day of November, 2022.

Nestor G Rodriguez

Nestor Rodriguez

Signature: 
Nestor G Rodriguez (Nov 23, 2022 09:09 CST)

Email: n.g.rod94@gmail.com

Final Stolp Island Parking Deck commercial space lease with exhibits 11_21_22

Final Audit Report

2022-11-23

Created:	2022-11-23
By:	Alex Minnella (aminnella@aurora-il.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAHZrAc-bTat8x7cWlgyKdpJ-tMkSO3-4D

"Final Stolp Island Parking Deck commercial space lease with exhibits 11_21_22" History

-  Document created by Alex Minnella (aminnella@aurora-il.org)
2022-11-23 - 2:56:49 PM GMT- IP address: 143.195.254.81
-  Document emailed to n.g.rod94@gmail.com for signature
2022-11-23 - 3:01:20 PM GMT
-  Email viewed by n.g.rod94@gmail.com
2022-11-23 - 3:08:40 PM GMT- IP address: 108.255.68.74
-  Signer n.g.rod94@gmail.com entered name at signing as Nestor G Rodriguez
2022-11-23 - 3:09:55 PM GMT- IP address: 108.255.68.74
-  Document e-signed by Nestor G Rodriguez (n.g.rod94@gmail.com)
Signature Date: 2022-11-23 - 3:09:57 PM GMT - Time Source: server- IP address: 108.255.68.74
-  Agreement completed.
2022-11-23 - 3:09:57 PM GMT