

AMENDMENT ONE TO LEASE AGREEMENT
BETWEEN
MILWAUKEE COUNTY PARKS
AND
THE SOUTH SHORE YACHT CLUB

This Amendment of the Lease Agreement dated July 21, 2003, is hereby entered into on _____ by and between MILWAUKEE COUNTY PARKS (“County”), and the SOUTH SHORE YACHT CLUB, a Wisconsin not for profit corporation (“Club”). Together these named entities constitute the parties (“Parties”) to this Amendment.

WITNESSETH:

WHEREAS, County and Club are Parties to that certain Lease Agreement dated July 21, 2003, that was subsequently modified by a Letter of Understanding dated July 21, 2016, which renegotiated rental amounts under the Lease Agreement as contemplated by Section 2.02 of the Lease Agreement; and

WHEREAS, In January of 2020 a large storm severely damaged the north breakwater, which has led to damages of the Club’s piers, which in turn impacted slip rentals as well as memberships; and

WHEREAS, the Parties desire to exercise this Amendment to the rent provisions agreed to in the 2016 Letter of Understanding to address the continued impacts of the damaged north breakwater on the Club’s operations: and

NOW THEREFORE, in consideration of the terms and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, it is agreed as follows:

PROVISIONS:

1. **RENT**. Commencing January 1, 2022, and continuing for five (5) years or until the north breakwater is substantially repaired, whichever is sooner, rent shall consist of two (2) items as follows:
 - 1) An annual flat ten percent (10%) payment of the Gross Revenue of all slip rentals shall be made by the Club to the County by May 1 each year. Club will provide evidence, satisfactory to the County, of the total Gross Revenue received from slip rentals with payment each year. This payment shall reflect the full ten percent (10%) of all Gross Revenue from slip rentals for the entire year. If new slip rentals are received that are not accounted for in the May 1 payment, a reconciliation payment will be made by the Club to the County by November 1 each year or the Club will certify to the County that no new slip rentals were received.
 - 2) An annual flat ten percent (10%) payment of the Gross Revenue of all Club memberships shall be made by the Club to the County by September 1 each year. This payment shall reflect the full ten percent (10%) of all Gross Revenue from memberships for the entire year, including memberships that are paid monthly. If new memberships are received that

are not accounted for in the September 1 payment a reconciliation payment will be made by the Club to the County by February 1 each year for the prior year payment or the Club will certify to the County that no new memberships were received. Club will provide evidence, satisfactory to the County, of its Gross Revenue of all memberships with each payment.

The rent amount as agreed to in this Amendment shall not exceed the annual amount of rent in the Letter of Understanding dated July 21, 2016, which is attached hereto for reference. Gross Revenue shall include all sales, less sales and use tax.

Substantial repair of the north breakwater will be determined solely by Milwaukee County Parks. Substantial repair is only related to the structure of the north breakwater and does not include items such as dredging, navigational components, buoys, beacons, or other non-structural items.

Upon either substantial repair of the north breakwater or the expiration of five years, whichever is earlier, the rent will revert to the rent as detailed in the Letter of Understanding dated July 21, 2016, which rent shall include the yearly increase of two percent (2%), compounded annually, that would have occurred if not for this amendment.

2. **CONFLICT.** In the event of any conflict between the terms and provisions of this Amendment and the terms and provisions of the Lease Agreement and subsequent Letter of Understanding, the terms and provisions of this Amendment shall govern, control and prevail.

Signature page follows

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the Effective Date.

SOUTH SHORE YACHT CLUB

By _____ Date _____

MILWAUKEE COUNTY PARKS

By _____ Date _____
Guy Smith, Parks Executive Director