

*****ATTACHMENTS*****

II

5.2

R. O. No. 309- 15 - 16. By CITY CLERK. March 21, 2016.

Submitting a communication from Joseph O'Bradovic, Director of Government Property Disposal Division, regarding the Social Security Administration Trust Building at 606 N. 9th St., Sheboygan, Wisconsin.

Inance

City Clerk

James



GSA New England Region

March 8, 2016

The Honorable Mike Vandersteen
Mayor, City of Sheboygan
Sheboygan City Hall
828 Center Avenue, Suite 100
Sheboygan, Wisconsin 53081

RE: Social Security Administration Trust Building
606 North Ninth Street, Sheboygan, Wisconsin
GSA Control Number: 1-G-WI-623

Dear Mayor Vandersteen:

The above referenced property has been determined to be surplus to the needs of the Government and is available for disposal.

Included in the enclosed notice is a description of the property and procedural instructions to be followed if any public agency desires to submit an application for the property. Please note particularly the name and address given for filing written notice if any public agency desires to submit such an application, the time limitation within which written notice must be filed, and the required content of such notice. Additional instructions are provided for the submission of comments regarding any incompatibility of the disposal with any public agency's development plans and programs.

In order to ensure that all interested parties are informed of the availability of this property, please post additional copies of the attached notice in appropriate places.

A notice of surplus determination is also being mailed to:

The Honorable Scott Walker
Governor, State of Wisconsin
Office of the Governor
115 East Capitol
Madison, WI 53702

The Honorable Roger L. TeStroete
Chair, Sheboygan County Board
Administration Building
508 New York Avenue, 3rd Floor, Rm 311
Sheboygan, WI 53081-4126

Should you require additional information or have any questions regarding this matter, please contact please contact Lisa A. Tangney, Realty Specialist, at (312) 886-9480, email Lisa.tangney@gsa.gov or mail to GSA, Property Disposal Division 1PZC, 230 South Dearborn Street, Room 3774, Chicago, IL 60604.

Sincerely,

JOSEPH C. O'BRADOVIC
Director, Property Disposal Division

Enclosure

U.S. General Services Administration
Thomas P. O'Neill, Jr. Federal Building
10 Causeway Street
Boston, MA 02222
www.gsa.gov

**UNITED STATES GENERAL SERVICES ADMINISTRATION
NOTICE OF DETERMINATION OF HOMELESS SUITABILITY
AND AVAILABILITY AND
NOTICE OF SURPLUS DETERMINATION FOR FEDERAL REAL
PROPERTY**

MARCH 8, 2016

**SOCIAL SECURITY ADMINISTRATION TRUST BUILDING
606 North Ninth Street, Sheboygan, Wisconsin 53081
GSA Control Number 1-G-WI-623
HUD Number: 542015400012**

Notice is hereby given that the subject property has been determined suitable and available by the Department of Housing and Urban Development (HUD) for homeless use. Since no further Federal requirement exists, the subject property has been made available for homeless use by the General Services Administration (GSA) and was published in the Federal Register on Friday, November 20, 2015; Volume 80, Number 224, Page 72731. The property is being screened for sixty (60) days from the date of this notice for expressions of interest from qualified homeless providers in accordance with the Stewart B. McKinney Homeless Assistance Act, as amended. **If no expressions of interest for homeless use are received within the specified timeframe, then the property will be considered for disposal as surplus property according to the regulations cited on the following page.**

The property consists of a 4,566 square feet single story brick exterior office building improved with paved parking on 0.6 acre.

Under Title V of the Stewart B. McKinney Homeless Assistance Act (McKinney Act)(42 U.S.C. 11411), as amended, public bodies and eligible nonprofit organizations concerned with providing assistance to the homeless may apply to acquire Government property determined suitable by HUD for homeless use. Also, States and their political subdivisions and instrumentalities, tax-supported institutions, and nonprofit institutions which have been held exempt from taxation under Section 501(c)(3) of the 1954 Internal Revenue Code may apply to acquire Government property determined suitable by HUD for homeless use under Section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended. Interested parties will have 60 days from the above date to submit a written expression of interest and obtain necessary application forms from the Department of Health and Human Services (HHS). Public bodies and eligible nonprofit organizations wishing to apply for the property should contact:

Theresa Ritta
Chief, Real Property Branch
Division of Real Property
U.S. Department of Health and Human Services
5600 Fishers Lane, Room 5B-17, Parklawn Building
Rockville, Maryland 20857
(301) 443-6672
Theresa.ritta@psc.hhs.gov

GSA administers a program for the donation of Federal surplus personal property through a network of individual State Agencies for Surplus Property (SASP). A pamphlet describing the surplus property program will be included in the application package provided by HHS.

NOTICE OF SURPLUS DETERMINATION

Notice is hereby given that the property known as Social Security Administration Trust Building, 600 North Ninth Street, Sheboygan, Wisconsin 53081 has been determined to be surplus Government property and is available for disposal. This is an offsite removal action of the structures only – No land is being disposed of.

STATUTE	TYPE OF DISPOSAL
40 U.S.C. 545(b)(8)	Negotiated sale to public bodies for public purposes
40 U.S.C. 553	Law Enforcement
40 U.S.C. 553	Emergency Management Response, including Fire

Any public agency wishing to acquire the property for negotiated sale, in accordance with 40 U.S.C. 545(b)(8), should submit written notice thereof, before COB on April 11, 2016, to:

Lisa A. Tangney
Realty Specialist
General Services Administration
Chicago Operations Branch
Real Property Utilization & Disposal Division
230 South Dearborn Street
Room 3774, DPN 37-13
Chicago, Illinois 60604

Any public agency wishing to acquire the property for negotiated sale, in accordance with 40 U.S.C. 553, should submit written notice thereof, before COB on April 11, 2016, to:

Orbin Terry, Project Manager
U.S. Department of Justice
Office of Justice Programs
Bureau of Justice Assistance
810 Seventh Street, NW, Room 4423
Washington, DC 20531
(202) 307-3134
orbin.terry@usdoj.gov

Any public agency wishing to acquire the property for negotiated sale, in accordance with 40 U.S.C. 553, should submit written notice thereof, before COB on April 11, 2016, to:

Adrian Austin
Building Management Specialist
Support Services and Facilities Management Division
U.S. Department of Homeland Security
Federal Emergency Management Agency
Washington Design Center
300 D Street, SW, Room 840-2
Washington DC 20472
(202) 212-2099
adrian.austin@dhs.gov

Such written notice shall:

- 1) disclose the contemplated use of the property;
- 2) contain a citation of the applicable statute under which the public agency desires to procure the property;
- 3) disclose the nature of the interest less than fee title to the property is contemplated;
- 4) state the length of time required to develop and submit a formal application for the property (where a payment to the Government is required under the statute, include a statement as to whether funds are available and, if not, the period required to obtain funds); and
- 5) give the reason for the time required to develop and submit a formal application.

Upon receipt of the written notice, the public agency shall be promptly informed concerning the period of time that will be allowed for submission of the formal application.

In the absence of a written notice, or in the event a public use proposal is not approved, the regulations issued pursuant to authority contained in the Property Act as amended, provide for offering the property for sale according to its highest and best use.

If any public agency considers that the proposed disposal of the property is incompatible with its development plans and programs, notice of such incompatibility must be forwarded to the Regional Administrator, U.S. General Services Administration, 230 South Dearborn Street, Chicago, Illinois 60604.

For more information contact:

Lisa A. Tangney
Realty Specialist
GSA Real Property Utilization & Disposal Division
230 South Dearborn Street
Room 3774, DPN 37-13
Chicago, Illinois 60604
Telephone: (312) 886-9480
Email: lisa.tangney@gsa.gov

II

5.3

R. O. No. 310 - 15 - 16. By CITY CLERK. March 21, 2016.

Submitting a communication from the Harbor Centre Business Improvement District requesting that the City of Sheboygan release all funds collected on their behalf and those funds allocated to us for fiscal 2016.

Finance

City Clerk



SHEBOYGAN SQUARED™

March 15, 2016

Common Council
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081

Dear Common Council,

The Harbor Centre Business Improvement District requests that the City of Sheboygan release all funds collected in our behalf and those funds allocated to us for fiscal 2016.

Thank you for your help in this matter.

Sincerely,

David O. Gass
President

Dave Hoffman
Manager

III

6.5

Res. No. 166 - 15 - 16. By Alderperson Hammond. March 21, 2016.

A RESOLUTION AWARDING THE SALE OF \$3,400,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016A.

WHEREAS, pursuant to a resolution adopted on March 7, 2016 (the "Set Sale Resolution"), the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") has heretofore found and determined that it is necessary, desirable and in the best interest of the City to raise funds for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2016 Capital Improvement Plans, including the acquisition of motor vehicles, rolling stock, fire department equipment, sirens and controls, bridge and street improvements, city hall construction, assessment revaluation, and TID No. 16 project costs (collectively, the "Project");

WHEREAS, cities are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes; and

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Wisconsin Public Finance Professionals, LLC ("WFPF") take the steps necessary to sell general obligation promissory notes (the "Notes") to pay the cost of the Project;

WHEREAS, WFPF, in consultation with the officials of the City, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on April 6, 2016;

WHEREAS, the City Clerk (in consultation with WFPF) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Notes for public sale on April 6, 2016;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the City. WFPF has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Finance

Section 1A. Ratification of the Official Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of THREE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$3,400,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal [(as modified on the Bid Tabulation and reflected in the Pricing Summary referenced below and incorporated herein)], plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal [(as modified on the Bid Tabulation)] is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2016A"; shall be issued in the aggregate principal amount of \$3,400,000; shall be dated April 20, 2016; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on October 1 of each year, in the years and principal amounts as set forth on the Proposal. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2016. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on October 1, 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on October 1, 2023 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [If the Proposal specifies that any of the Notes are subject to mandatory

redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.]

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2016 through 2024 for the payments due in the years 2016 through 2025 in the amounts set forth on the Schedule. The amount of tax levied in the year 2016 shall be the total amount of debt service due on the Notes in the years 2016 and 2017; provided that the amount of such tax carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of interest on the Notes in the year 2016.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The City hereby appropriates from taxes levied in anticipation of the issuance of the Notes, proceeds of the Notes or other funds of the City on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below and used to pay the interest on the Notes coming due on October 1, 2016 as set forth on the Schedule.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2016A, dated April 20, 2016" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium

and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by the City Clerk or City Treasurer (the "Fiscal Agent").

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount,

series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

DRAFT

Section 20. Conflicting Resolutions; Severability; Effective Date.

All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

DRAFT

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the 6th day of April, 2016.

Dated April _____, 2016. _____, City Clerk

Approved April _____, 2016. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

[EXHIBIT MRP

Mandatory Redemption Provision

The Notes due on October 1, ____, ____, ____, and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on October 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on October 1,

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1,

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1,

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1,

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT E

(Form of Note)

REGISTERED	UNITED STATES OF AMERICA	DOLLARS
	STATE OF WISCONSIN	
	SHEBOYGAN COUNTY	
NO. R- _____	CITY OF SHEBOYGAN	\$ _____
	GENERAL OBLIGATION PROMISSORY NOTE,	
	SERIES 2016A	

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:

October 1, _____ April 20, 2016 _____ %

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS (\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2016 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$3,400,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2016 Capital Improvement Plans, including the acquisition of motor vehicles, rolling stock, fire department equipment, sirens and controls, bridge and street improvements, city hall construction, assessment revaluation, and TID No. 16 project costs, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on March 7, 2016 and April 6, 2016. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on October 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on October 1, 2023 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the resolution awarding the Notes at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN,
SHEBOYGAN COUNTY, WISCONSIN

By: _____

Michael J. Vandersteen
Mayor

By: _____

Susan Richards
City Clerk

(SEAL)

DRAFT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

III

6.6

Res. No. 167 - 15 - 16. By Alderperson Hammond. March 21, 2016.

A RESOLUTION AWARDING THE SALE OF \$7,550,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016B.

WHEREAS, pursuant to a resolution adopted on March 7, 2016 (the "Set Sale Resolution"), the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") has heretofore found and determined that it is necessary, desirable and in the best interest of the City to raise funds for public purposes, including payment of development incentives (the "Project") and refunding the Taxable General Obligation Refunding Bonds, Series 2006D, dated July 1, 2006 (the "Refunded Obligations") (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding");

WHEREAS, cities, are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes and to refinance their outstanding obligations;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue such general obligation promissory notes on a taxable rather than tax-exempt basis;

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Wisconsin Public Finance Professionals, LLC ("WPPF") to take the steps necessary to sell taxable general obligation promissory notes (the "Notes") to pay the costs of the Project and the Refunding;

WHEREAS, WPPF, in consultation with the officials of the City, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on April 6, 2016;

WHEREAS, the City Clerk (in consultation with WPPF) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Notes for public sale on April 6, 2016;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the City. WPPF has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

Financ

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1A. Ratification of the Official Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the costs of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of SEVEN MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$7,550,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal [(as modified on the Bid Tabulation and reflected in the Pricing Summary referenced below and incorporated herein)], plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal [(as modified on the Bid Tabulation)] is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "Taxable General Obligation Promissory Notes, Series 2016B"; shall be issued in the aggregate principal amount of \$7,550,000; shall be dated April 20, 2016; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on October 1 of each year, in the years and principal amounts as set forth on the Proposal. Interest shall be payable semi-annually on October 1 and April 1 of each year commencing on April 1, 2017. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on October 1, 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on October 1, 2023 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the

principal amount thereof, plus accrued interest to the date of redemption.

[If the Proposal specifies that any of the Notes are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.]

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2016 through 2024 for the payments due in the years 2017 through 2025 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for

Taxable General Obligation Promissory Notes, Series 2016B, dated April 20, 2016" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account.

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. Execution of the Notes; Closing; Professional Services.

The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 9. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by the City Clerk or City Treasurer (the "Fiscal Agent").

Section 10. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 11. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 12. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 13. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 14. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 15. Redemption of the Refunded Obligations. The Refunded Obligations due on October 1, 2017 and thereafter are hereby called for prior payment and redemption on October 1, 2016 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to work with WFPF to cause timely notice of redemption, in substantially the form attached hereto as Exhibit F and incorporated herein by this reference (the "Notice"), to be

provided at the times, to the parties and in the manner set forth on the Notice.

Section 16. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 17. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

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Section 18. Conflicting Resolutions; Severability; Effective Date.

All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the ____ day of April, 2016.

Dated April ____, 2016. _____, City Clerk

Approved April ____, 2016. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

[EXHIBIT MRP

Mandatory Redemption Provision

The Notes due on October 1, ____, ____, ____, and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on October 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on October 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on October 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
 STATE OF WISCONSIN
 SHEBOYGAN COUNTY
 NO. R- _____ CITY OF SHEBOYGAN \$ _____
 TAXABLE GENERAL OBLIGATION PROMISSORY NOTE,
 SERIES 2016B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
 October 1, _____ April 20, 2016 _____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS (\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on October 1 and April 1 of each year commencing on April 1, 2017 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$7,550,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including payment of development incentives (the "Project") and refunding outstanding obligations of the City, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on March 7, 2016 and April 6, 2016. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on October 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on October 1, 2023 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the resolution awarding the Notes at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN,
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Michael J. Vandersteen
Mayor

(SEAL)

By: _____
Susan Richards
City Clerk

DRAFT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

EXHIBIT F

NOTICE OF FULL CALL

Regarding

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN
\$8,575,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2006D
DATED JULY 1, 2006

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on October 1, 2016 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
10/01/2017	\$700,000	5.65%	8210224L1
10/01/2018	700,000	5.75	8210224M9
10/01/2019	700,000	5.80	8210224N7
10/01/2020	700,000	5.90	8210224P2
10/01/2021	700,000	5.95	8210224Q0
10/01/2022	700,000	6.00	8210224R8

The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before October 1, 2016.

Said Bonds will cease to bear interest on October 1, 2016.

By Order of the
Common Council
City of Sheboygan
City Clerk

Dated _____

To be provided by registered or certified mail, overnight express delivery, facsimile transmission or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to October 1, 2016 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org. Notice shall also be provided to CFIG Assurance North America, Inc., New York, New York, or any successor, the bond insurer of the Bonds.

III

Other Matters

10.2

Res. No. 168 - 15 - 16. By Alderperson Belanger. March 21, 2016.

A RESOLUTION approving the terms and conditions of the Development Agreement between Sheb Pro, LLC and the City of Sheboygan.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Developers Agreement between Sheb Pro, LLC and the City of Sheboygan, in form substantially similar to the documents attached hereto and incorporated herein by this reference.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan.

Finance

John Bey

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk
Approved _____ 20____. Michael J. Vandross, Mayor

**DEVELOPMENT AGREEMENT
BETWEEN
SHEB PRO, LLC
AND CITY OF SHEBOYGAN**

THIS AGREEMENT made as of the ____ day of _____, 2016, by and between Sheb Pro, LLC, a Wisconsin limited liability company, with its principal offices located at 8102 Excelsior Drive, Madison, WI 53717 (hereinafter "Developer"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

RECITALS

Developer has proposed a new hotel development project, referred to as "Fairfield Inn and Suites Hotel," in the area east of South Taylor Drive, south of Washington Avenue and just north of the Union Pacific Railroad tracks in the City of Sheboygan.

Developer desires to have vehicular access to the development site for both northbound and southbound vehicles off of South Taylor Drive, and to have sanitary sewer service to the site. The City is willing to provide the South Taylor Drive access and extend sewer mains to service the site on certain terms and conditions.

It is in the mutual interest of all parties to proceed with this development project.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals, the agreements and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

All capitalized terms used herein and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Agreement" or "Development Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"Developer" means Sheb Pro, LLC and its permitted successors and assigns.

"Events of Default" means any of the events described in Section 9.1 hereof.

"Plans and Specifications" means the plans and specifications for the Project prepared from time to time by the Developer which are approved by the City in accordance with all procedures and requirements of the City for such approvals.

"Project" means the development proposed by Developer herein for construction of a four-story Fairfield Inn with approximately 116 rooms, located on Lot 2 of Certified Survey Map recorded at the Sheboygan County Register of Deeds on November 11, 2007, as Document No. 1840281, Vol. 23, page 190, located in the City of Sheboygan, County of Sheboygan, Wisconsin (the "Project Site"), the total construction cost of which when completed is estimated to be approximately \$5,500,00.

"Property" means the following parcels of property that together total approximately 4.9 acres, Lots 1 and 2 of Certified Survey Map recorded in the office of the Sheboygan County Register of Deeds on November 11, 2007 as Document No. 1840281, Vol. 23, Page 190, located in the City of Sheboygan, County of Sheboygan, Wisconsin.

ARTICLE II. OVERVIEW OF THE PROJECT

The Project consists of development of the Project Site which is a 4.9 acre parcel of property in the area east of South Taylor Drive, south of Washington Avenue and just north of the Union Pacific Railroad tracks into a four-story Fairfield Inn with approximately 116 rooms, with associated parking and green space. The Project is to be constructed in accordance with plans approved or to be approved by the City, and generally as shown on the plan drawing attached as Exhibit "A."

ARTICLE III. UNDERTAKINGS OF THE DEVELOPER

3.1 Ownership of the Property. Prior to entering into this Agreement, Developer shall acquire ownership of the Property and provide the City evidence of title. City shall satisfy itself in its discretion that Developer has fee simple ownership of the Property.

3.2 Evidence of Equity Capital and Mortgage Financing. No later than sixty (60) days following the date of this Agreement, Developer shall submit to the City evidence reasonably satisfactory to the City justifying that the Developer has a relationship with a Lender through the financing of ten prior hotel projects and should the terms of the development be met, the Lender would consider financing the project.

3.3 Grant of Easements. Developer hereby agrees to grant the following easements within thirty (30) days of the date hereof:

(A) A twenty (20') foot wide permanent utility easement to the City in, under and across the westerly twenty (20') feet of the Property adjacent to South Taylor Drive for sanitary sewer main purposes. Said easement shall be in form substantially similar to Exhibit "B-1" attached hereto.

(B) A fifteen (15') foot wide permanent water utility easement to the City of Sheboygan Board of Water Commissioners in, under and across the northerly fifteen (15') feet of Lot 2 of CSM recorded in Volume 23, pp. 190-191 as Document No. 1840281 in the office of the Sheboygan County Register of Deeds, for the purpose of laying, patrolling, maintaining, cleaning, repairing and renewing water utility transmission main. Said easement shall be in form substantially similar to Exhibit "B-2" attached hereto.

(C) A parcel containing approximately 2,000 sq. ft. as a permanent easement to the City for the purpose of constructing, maintaining, repairing and replacing a community sign in a location on the Property acceptable to the City. Said easement shall be in form substantially similar to Exhibit "B-3" attached hereto.

Recognizing that mitigation of wetlands will be required and will require the approval of the DNR, the provisions of this Section 3.3 are hereby modified and amended and the parties agree that the location of all easements shall be subject to change to the extent required based on the results of the DNR requirements for wetland mitigation.

3.4 Conditions Precedent. Ownership by the Developer of the Property as provided in Section 3.1 hereof, submission of

evidence of equity capital and/or commitments for mortgage financing satisfactory to the City as provided in Section 3.2 hereof, and the grant to the City of the utility easement as provided in Section 3.3 hereof, are conditions precedent to the undertakings of the City set forth in Article V hereof.

3.5 Construction of the Project. Subject to Unavoidable Delays as defined in Article X, the Developer shall commence construction of the improvements set forth above within twenty-four (24) months after the execution of this Agreement, or upon the execution of a final mitigation agreement with the DNR, whichever is later, and substantially complete construction within twenty-four (24) additional months thereafter, or such other dates as the parties shall mutually agree.

3.6 Compliance with Codes, Plans and Specifications, Etc. The building(s) and other improvements to be constructed upon the Property, the construction thereof, and their uses shall be in compliance with all applicable codes and ordinances of the City, and with all pertinent provisions of this Agreement and the Plans and Specifications. The acceptance of this Agreement and granting of any and all approvals, licenses and permits by the City shall not obligate the City to grant any variances, exceptions or conditional use permits, or approve any building the City determines not to be in compliance with the City codes and ordinances. All work done by or for Developer shall be in accordance with all applicable City codes and ordinances, the Plans and Specifications, and other applicable laws and regulations. If permits or approvals are required for any such work, issuance of such permits or approvals is a condition to commencement of such work, and Developer will at its sole cost and expense take such action as required to seek such approvals and permits. City agrees to act upon all permit applications and requests for approval submitted by the Developer and required for the Project in a reasonably prompt manner.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER

The Developer makes the following representations and warranties which the City may rely upon in entering into this and all other agreements with the Developer and granting all approvals, permits and licenses for the Project.

(A) Developer is a duly organized and existing limited liability company in current status under the laws of the State of Wisconsin.

(B) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and approved by Developer, and no other or further acts or proceedings of Developer are necessary to authorize and approve the execution, delivery and performance of this Agreement and the matters contemplated hereby. This Agreement, and the exhibits, documents and instruments associated herewith and made a part hereof, have been duly executed and delivered by Developer and constitute the legal, valid and binding agreement and obligation of Developer, enforceable against it in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights generally, and by general equitable principles.

(C) There are no lawsuits filed or pending, or to the knowledge of Developer, threatened against Developer that may in any way jeopardize the ability of Developer to perform its obligations hereunder.

(D) Developer is the owner of the Property and has the ability to obtain sufficient funds through equity investment in Developer and through lending sources for the completion of the Project, and Developer shall, from time to time upon the request of the City based on reasonable need, provide evidence thereof satisfactory to the City. The Developer shall promptly notify the City of any material adverse change in the Developer's financial condition. Subject to applicable law, the City agrees to use its best efforts to keep such financial information made available to it hereunder confidential; provided, however, the City may, to the extent it deems necessary, disclose such information in the exercise of its remedies hereunder.

(E) The Project to be constructed will be fully subject to taxation under Wisconsin Property Tax Laws. Developer, for itself, its successors and assigns, shall take no action(s), and shall file no claim(s) seeking, promoting or encouraging exemption of the Project in whole or part from taxability under Property Tax Laws.

ARTICLE V. UNDERTAKINGS OF THE CITY

5.1 Sanitary Sewer Extension. Contingent upon Developer's prior satisfaction of the Conditions Precedent set forth in Article III hereof, and subject to Section VI.B., the City agrees as an inducement to Developer for development of the Project to extend sanitary sewer main from the south to service Developer's development on the Project Site, at no cost (whether by direct billing, special assessment, special charge, impact fee or otherwise) to the Developer for said sewer main extension other than its obligations hereunder. Said main shall be of a size adequate to service the intended use of a hotel on the Project Site and shall be located within the 20 foot easement adjacent to South Taylor Drive granted by Developer herein. Costs and fees for construction of lateral(s) and connection thereof to the sewer main shall be borne by Developer.

5.2 Median Cut. Contingent upon Developer's prior satisfaction of the Conditions Precedent set forth in Article III hereof, and subject to Section VI.B., the City agrees as an inducement to Developer for development of the Project to remove the portion of the median located in South Taylor Drive in front of the Property and install a left turn lane that allows traffic traveling south/southeast on South Taylor Drive direct access from South Taylor Drive to the Property, at no cost (whether by direct billing, special assessment, special charge, impact fee or otherwise) to the Developer for said construction other than its obligations hereunder. The direct access shall be located half on Lot 1 and half on Lot 2 of the Certified Survey Map recorded at the office of the Sheboygan County Register of Deeds on November 11, 2007 as Document No. 1840281, Volume 23, page 190.

5.3 Timing of Public Improvements. Subject to Unavoidable Delays as defined in Article X, and contingent upon Developer's prior satisfaction of the Conditions Precedent set forth in Article III hereof, the City shall commence construction of the public improvements set forth in this Article within six (6) months after commencement of construction of the Project by Developer, and substantially complete construction within eighteen (18) months of commencement of construction, or such other date as the parties shall mutually agree.

5.4 Utilities. The City represents and warrants that all City utilities (water, sanitary sewer and storm sewer) will be available at the lot line. The term "lot line" shall mean at or adjacent to the Project Site or within the portion of the South Taylor Drive right-of-way that abuts the Project Site. To the best of the City's knowledge, electric, gas, and telephone

utilities are currently available at the lot line. City is without knowledge as to whether cable for cable television is available at the lot line.

VI. DEVELOPER GUARANTEE TO CITY

A. Developer for itself, its successors and assigns, hereby guarantees to construct or provide for private construction of Improvements on the Project Site with a minimum investment of Five Million (\$5,000,000.00) Dollars ("Minimum Investment"), within 24 months after commencement of construction.

Investment includes all buildings and other Improvements on the Project Site and leasehold improvements. Investment shall not include the purchase price of the land, inventory, moveable equipment or personal property items.

Investment includes all costs and expenditures made or incurred from the date of this Agreement and on or before the completion date of construction of the Improvements on the Project Site as required by this Agreement, or such later date as the parties may hereafter agree. Developer shall provide the City a statement of its investment in the Project Site, computed in accordance with this section, no later than sixty (60) days after the completion date of construction of the Improvements on the Project Site as required by the Agreement, or such later date as the parties may hereafter agree. Such statement shall be certified by a certified public accountant.

If the fair market value of the buildings and other Improvements on the Project Site, as determined by the City Assessor's office for real estate tax purposes, is equal to or greater than the Minimum Investment amount on January 1, 2019, or such later date as the parties may hereafter agree, then the Developer shall be deemed to have satisfied its obligation with respect to Minimum Investment.

B. In the event Developer's Investment, as provided herein, falls short of the required Minimum Investment, Developer agrees that it shall pay the City that percentage of the City's costs for the Public Improvements equal to the percentage by which Developer's Investment falls short of its required Minimum Investment. Any such required guarantee payment shall be due and payable to the City within thirty (30) days of City's invoice for said amount.

**ARTICLE VII. CONDITIONS TO THE
UNDERTAKINGS OF THE CITY**

7.1 All Obligations of the City under this Agreement. As a condition to each and all of the covenants, agreements and other obligations of the City under this Agreement, all of the following shall occur, in addition to all other requirements and conditions set forth in this Agreement:

(A) Developer shall have satisfied all Conditions Precedent set forth in Article III hereof.

(B) The Project shall be completed within the timeframe of approved schedule of construction, except to the extent failure to complete within such timeframe is due to Unavoidable Delay.

(C) Developer shall satisfy its Minimum Investment guaranty as set forth in Article VI.

(D) All representations and warranties of Developer set forth in Article IV and otherwise in this Agreement and in all agreements expressly referred to herein shall be true, complete and correct.

(E) All covenants and obligations of Developer under this Agreement are duly performed, observed and satisfied.

(F) No Event of Default has occurred, or with the giving of notice or lapse of time would occur.

ARTICLE VIII. INDEMNIFICATION OF THE CITY

8.1 The Developer hereby indemnifies and holds harmless the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this section collectively referred to as the "Indemnified Parties"), against any loss or damage to property or any injury to or death of any person occurring at or about or arising out of the Developer's performance of the construction of the Project, provided that the foregoing indemnification shall not be effective for any negligent acts of the Indemnified Parties in fulfilling the obligations of the City or its agents as set forth in this Agreement. Except for any willful misrepresentation, any willful misconduct, or negligent acts of the Indemnified Parties, the Developer will protect and defend

the Indemnified Parties from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the action or inaction of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership and operation of the Project. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE IX. DEFAULT/REMEDIES

9.1 Events of Default. An Event of Default is any of the following:

(A) A failure by the Developer to cause substantial completion of the Project to occur pursuant to the terms, conditions and limitations of this Agreement, or the failure of the Developer to perform or observe any and all covenants, conditions, obligations, guarantees or agreements on its part to be observed or performed when and as required under this Agreement, in either case within forty-five (45) days after written notice to the Developer of such failure, provided that if such matter is not financial and cannot be cured within such forty-five (45) day period but if the Developer commences to cure such matter within the forty-five (45) day period and thereafter reasonably and continuously takes action to complete such cure and such cure is completed as promptly as possible under the circumstances, then the event will not be an Event of Default.

(B) The failure by the City to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed when and as required under this Agreement, in either case within forty-five (45) days after written notice to the City of such failure, provided that if such matter is not financial and cannot be cured within such forty-five (45) day period but if the City commences to cure such matter within the forty-five (45) day period and thereafter reasonably and continuously takes action to complete such cure and such cure is completed as promptly as possible under the circumstances, then the event will not be an Event of Default.

(C) Developer becomes insolvent or is the subject of bankruptcy or insolvency proceedings.

9.2 Remedies on Default. Whenever an event of default occurs and is continuing, the non-defaulting party may take any one or more of the following actions:

(A) The non-defaulting party may immediately suspend its performance under this Agreement from the time any notice of an Event of Default is given until it receives assurances from the defaulting party deemed adequate by the non-defaulting party, that the defaulting party will cure its default and continue its performance under this Agreement.

(B) The non-defaulting party may take any action, including legal or administrative action, in law or in equity, which may appear necessary or desirable to enforce performance and observance of any covenant, condition, obligation, guarantee or agreement of the defaulting party under this Agreement.

9.3 No Remedy Exclusive. No remedy or right conferred upon or reserved to the City or the Developer in this Agreement is intended to be exclusive of any other remedy or remedies, but each and every such right and remedy shall be cumulative and shall be in addition to every other right and remedy given under this Agreement now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

9.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

9.5 Agreement to Pay Attorneys' Fees and Expenses. Whenever any event of default occurs and either the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any covenant,

condition, obligation, guarantee or agreement on the part of the defaulting party herein contained, the defaulting party shall, on demand thereof, pay the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party by reason of such default.

ARTICLE X. FORCE MAJEURE

No party will be responsible to any other party for any resulting losses if the fulfillment of any of the terms of this Agreement (other than any financial obligation) is delayed or prevented by war, strikes, fires, floods, acts of God, and other reasons wholly without the control of the party with whose performance there was interference, and which, by the exercise of reasonable diligence, such party is unable to prevent ("Unavoidable Delay"), and the time for performance will be extended by the period of delay occasioned by any such cause.

ARTICLE XI. ADDITIONAL PROVISIONS

11.1 Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to this Agreement which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer's successors or assigns on any obligations under the terms of this Agreement.

11.2 Incorporation by Reference. All exhibits and other documents attached hereto or referred to herein are hereby incorporated in and shall become a part of this Agreement.

11.3 No Implied Approvals. Nothing herein shall be construed or interpreted in any way to waive any obligation or requirement of Developer to obtain all necessary approvals, licenses and permits from the City in accordance with its usual practices and procedures, nor limit or affect in any way the right and authority of the City to approve or disapprove the Development Plans, or any part thereof, or to impose any limitations, restrictions and requirements on the development,

construction and/or use of the Project as a condition of any such approval, license or permit; including, without limitation, requiring any and all other development and similar agreements.

11.4 Right to Cancel. Notwithstanding anything in this agreement to the contrary, Developer shall have the right to declare this Agreement null and void if after the completion of the wetland mitigation process with DNR, the DNR has not approved mitigation which allows for at least one (1) hotel of the size and type contemplated herein to be constructed on the subject site.

11.5 No Assignment. Developer may not assign its rights in this Agreement without the express prior written consent of the City. Except with the prior written consent of the City, Developer shall not sell, transfer or convey the Property unless and until an occupancy permit has been issued.

11.6 Time of the Essence. Time is deemed to be of the essence with regard to all dates and time periods set forth herein or incorporated herein.

11.7 Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

11.8 Notices. Any notice required hereunder shall be given in writing, signed by the party giving notice, personally delivered or mailed by certified or registered mail, return receipt requested, to the parties' respective addresses as follows:

To the City: City of Sheboygan, Wisconsin
828 Center Ave.
Sheboygan, WI 53081
Attn: City Clerk

with a copy to: City Attorney
City of Sheboygan, Wisconsin
828 Center Ave., Suite 304
Sheboygan, WI 53081

To the Developer: Todd Winkler, Secretary
8102 Excelsior Drive
Madison, WI 53717

With a copy to: Joel H. Fenchel, Esq.
Fischel & Kahn, Ltd.

155 N. Wacker Drive
Suite 1950
Chicago, IL 60606

11.9 Entire Agreement. This document and all other documents and agreements expressly referred to herein contain the entire agreement between the Developer and the City with respect to the matters set forth herein. This Agreement may be modified only by a writing signed by all parties.

11.10 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

11.11 Counterparts. This agreement may be executed in any number of counterparts, each of which shall be deemed an original.

11.12 Binding. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assigns.

**SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT**

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

CITY OF SHEBOYGAN, WISCONSIN

BY: _____
Michael J. Vandersteen, Mayor

ATTEST: _____
Susan Richards, City Clerk

SHEB PRO, LLC

BY: _____
William P. Zanetis, President

ATTEST: _____
Todd Winkler, Secretary

This document authorized by and in accordance with Res. No. _____
-15 - 16.

EXHIBIT "A"

PLAN DRAWING