

*****ATTACHMENTS*****

III

5.3

Res. No. 87 - 15 - 16. By Alderperson Hammond. October 19, 2015.

A RESOLUTION authorizing entering into an agreement with HKM Architects and Planners, Inc. for landscape architectural services for the greenspace at the former Boston Store property.

WHEREAS: City staff requests to work with the architect that will be provide the architectural services for the former Boston Store redevelopment project.

WHEREAS: The Common Council agrees to waive the competitive bidding process to provide efficiencies in the design and construction of the two projects.

RESOLVED: That the appropriate City Officials are hereby authorize to enter into contract with HKM Architects & Planners, Inc. as specified in the attached contract and draw orders on Account 21561100-631100 in payment of same.

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____. _____, Mayor

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Handwritten text, possibly a signature or name, located in the center of the page.



ARCHITECTS + PLANNERS, INC.

ARCHITECTURE
LAND PLANNING
LANDSCAPE ARCHITECTURE
INTERIOR ARCHITECTURE

October 6, 2015

Mr. Chad D. Pelishek
Director of Planning and Development
City of Sheboygan
828 Center Avenue
Sheboygan Wisconsin, 53081

RE: Sheboygan Arts Plaza

PROPOSAL FOR LANDSCAPE ARCHITECTURAL SERVICES

- I. Project Description.
 - A. The site is bordered by North 8th St, New York Avenue and North 7th Street to be planned for an integrated mixed-use redevelopment.
 1. The north portion of the site will be for a mixed-use residential and retail building by Developer.
 2. The remainder of the site will be for a public Arts Plaza and park linking the Mead Public Library and Kohler Arts Center sites.
 - a) Civic green with M.I.K.E. for outdoor concerts, art fairs, passive recreation, etc.
 - b) Hardscape E-W axial "link" and crosswalks.
 - c) Possible outdoor dining for new retail.
 - d) Possible hardscape plaza, planters, permanent sculptures, monument ground signs.
 - e) Possible sculpture-walk for changeable exhibits.
 - f) Sidewalk system to residential building entries.
 - g) Exterior lighting, power to M.I.K.E and other power points.
 - h) Landscape plantings.
 - i) The project will provide solutions for screening the loading and trash areas that serve the existing buildings on North 8th St.
 - j) Possible small parking lot off of New York Ave.
 - k) The southeast corner of the site will be planned for initial park use with a potential future building pad.
- II. Services provided by HKM.
 - A. Integrated site planning.
 - B. Landscape and hardscape design.
 - C. Lighting design.
 - D. Civil engineering.
- III. Phases of services.
 - A. Design phase.
 1. Visioning meeting with City of Sheboygan (COS) planning staff, any staff-selected stakeholders and Developer.



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LANDSCAPE ARCHITECTURE
INTERIOR ARCHITECTURE

2. Preparation of sketch design concept alternates.
3. Review meeting at COS with COS staff and Developer.
Revisions to designs per comment.
4. Screen share meeting with COS and Developer to review revised designs.
5. Preparation of presentation drawings of approved design.
6. Meeting at COS to present final design.
- B. Construction drawing phase.
 1. Preparation of construction drawings suitable for bid and permit.
 2. Civil Engineering included grading / erosion control plan, storm water management plan (to meet redevelopment requirements) and utility plans (for sewer / water extensions into site).
- C. Bid phase.
 1. Answer bidder questions.
- D. Construction phase.
 1. Two (2) site visits by landscape architect during construction phase, one of them anticipated to be used for a punch list inspection.
- IV. Services provided by Others.
 - A. Survey, Geotechnical engineering.
 - B. Electrical or structural engineering.
- V. Additional services available.
 - A. Irrigation system.
 - B. Nursery plant tagging.
- VI. Fees.
 - A. Land planning, landscape architecture, civil engineering. \$37,000.00
 - B. Additional services. As agreed in writing in advance.
- VII. Terms.
 - A. HKM prepares invoices monthly with payment due upon receipt of the invoice.
 - B. Reimbursable expenses are in addition to the base fee quoted. They include travel for additional meetings, printing and delivery at cost plus 10%. Travel expenses for the basic 5 meetings are included in the basic fee.
 - C. Either party hereto shall have the right to terminate this agreement, upon not less than 7 days prior written notice should the other party fail to perform in accordance with the terms of this agreement. In the event of any such early termination, Owner shall pay all fees due HKM under this agreement which have accrued as of the day of termination.
 - D. HKM is the author and owner of the drawings, specifications and other materials prepared by him as instruments of its services. HKM retains all common law, statutory and all other reserved rights, including copyright.
 - E. HKM will post .PDF drawing files on a designated file sharing site for download and printing by others.
 - F. Hourly Rate Schedule.
 1. Professional Level Principal \$190.00/hour



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LAND PLANNING
LANDSCAPE ARCHITECTURE
INTERIOR ARCHITECTURE

- 2. Professional Level One \$175.00/hour
- 3. Professional Level Two \$145.00/hour
- 4. Professional Level Three \$120.00/hour
- 5. Professional Level Four \$100.00/hour
- 6. Professional Level Five \$85.00/hour

G. The obligations of Architect under this agreement shall expire on May 1, 2017.

H. This proposal is valid until December 1, 2015 and is withdrawn if an executed copy is not received by that date.

Submitted,

Principal

Accepted: _____ Date: _____

PP02 Sheboygan.doc

II

4.5

R. O. No. 211 - 15 - 16. By CITY CLERK. November 16, 2015.

Submitting a communication from the Sheboygan Area School District submitting their approved Tax Levy for the 2015-2016 school year.

Finance

City Clerk

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SHEBOYGAN AREA SCHOOL DISTRICT

Learning Today. Leading Tomorrow.

Mark Boehlke
Assistant Superintendent
Business & Operational Services

830 Virginia Avenue
Sheboygan, Wisconsin 53081
Ph. (920) 459-3523
Fax: (920) 459-4300

City of Sheboygan
Municipal Clerk – Susan Richards
828 Center Avenue
Sheboygan, WI 53081-4442

Dear Ms. Richards:

The Board of Education for the Sheboygan Area School District approved the following Tax Levy for the 2015-2016 school year:

School Levy	\$37,781,076.00
Recreation Levy	\$ 1,272,528.00

Enclosed are the tax levy certifications as assessed against the taxable property of that portion of the school district and/or recreation district lying within your municipality as required by section 120.17(8).

The levy payment must be received in the business Office by the due date. If there are any questions, please feel free to contact me at 920-459-3955.

Sincerely,

Mark Boehlke
Assistant Superintendent
Business and Operational Services

Enclosure (1)



Instructions: This form must be signed in the presence of a notary public, and delivered to the clerk of each municipality having territory within the school district on or before **November 10**.
 (Ref Wisconsin Statute s.120.12(3))

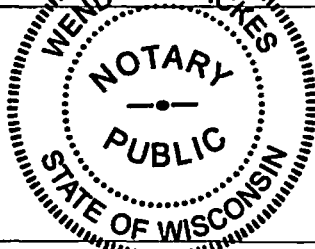
2015-2016 School Year

T 1. Municipal Clerk: **SUSAN RICHARDS** 2. Municipality: **City of Sheboygan**
O 828 CENTER AVE
 SHEBOYGAN, WI 53081-4442 3. County: **Sheboygan County**

The levy is distributed using the same percentage as the equalized valuation.	Entire School District	Portion of School District Lying Within Municipality
	Column 1	Column 2
4. Equalized Valuation (TID Out) Tax Apportionment (October Certification)	\$3,287,136,559.00	\$2,184,347,853.00
5. Percent of Entire School District	100%	66.451388%
6. Total Levy	\$39,053,604.00	\$25,993,399.00

CERTIFICATION

I HEREBY CERTIFY the amount shown on Line 6, Column 2, above, to be assessed against the taxable property of that portion of the school district lying within the municipality, as required by s. 120.17 (8). The state superintendent, pursuant to s. 121.06, has certified to me the equalized valuations shown on Line 4, which I have used to determine the portion of the school district levy to be paid by the municipality.

 NOTARY SEAL	F Name of School District	School District Clerk
	R Sheboygan Area (5271)	Jennifer Pothast
	O Signature of School District Clerk	<i>Jennifer Pothast</i>
	M Signature of Notary Public	<i>Wendy Baackes</i>
	Signed before me this date	My Commission Expires
	<i>11/9/2015</i>	<i>1/29/2017</i>

Wisconsin Statutory References:
 s.120.17(8)
 s.120.44
 s.121.06(2)

Mail tax settlement to: District Administrator
 Sheboygan Area School District
 830 Virginia Ave
 Sheboygan, WI 53081-4427

III

5.2

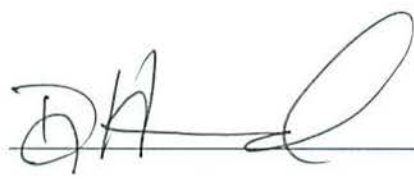
Res. No. 105 15 - 16. By Alderperson Hammond. November 16, 2015.

A RESOLUTION approving the terms and conditions of the Contract for Sale of Land by and between the City of Sheboygan and Eighth Street Housing Corporation.

RESOLVED: That the City of Sheboygan hereby approves the terms and Conditions of the Contract for Sale of Land for Private Development by and between the City of Sheboygan and Eighth Street Housing Corporation, 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



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____. _____, Mayor

III

15.9

**CONTRACT FOR
SALE OF LAND FOR PRIVATE DEVELOPMENT
BY AND BETWEEN
CITY OF SHEBOYGAN, WISCONSIN
AND
EIGHTH STREET SHEBOYGAN HOUSING CORPORATION**

AGREEMENT, made this ____ day of _____, 2015, by and between the City of Sheboygan, Wisconsin, a municipal corporation of the State of Wisconsin (which, together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter called "City"), having its principal offices at 828 Center Avenue in the City of Sheboygan, Wisconsin, and Eighth Street Sheboygan Housing Corporation, a Wisconsin domestic business corporation (hereinafter called "Developer"), having an office for the transaction of business at 2 Science Court, Madison, WI 53711;

RECITALS

WHEREAS, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in **Exhibit "A"** annexed hereto and made a part hereof (which property as so described is hereinafter called "the Property") and to develop the Property by constructing, as determined by Developer, a mixed use building comprised of multifamily and retail/commercial space, and all related improvements, such building to be comprised of a certain number of floors, as determined by Developer, all at an estimated cost of Ten Million Two Hundred Sixty-One Thousand, Five-Hundred Thirty-Six and 00/100 Dollars (\$10,261,536.00) (hereinafter called "the Project"), in accordance with this Agreement; and

WHEREAS, the City believes that the development of the Property through construction of the Project pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety and welfare of its residents.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

**ARTICLE I.
SALE: PURCHASE PRICE**

Subject to all the terms, covenants and conditions of this Agreement, the City will sell the Property to the Developer for, and the Developer will purchase the Property from the City and pay therefor, the total amount of Twenty and 00/100 Dollars (\$20.00) dollars, hereinafter called "Purchase Price," to be paid in cash or by certified check simultaneously with the delivery of the deed conveying the Property to the Developer.

It is anticipated that the construction schedule for the Project will be carried out as follows:

City Plan Approvals (Conditional Use/Architectural Review)	April 2016
Issuance of Building Permits	May 2016
Start Construction	May 2016
Substantial Completion	May 2017

It is anticipated that the Property will be sold and conveyed as follows:

Sell and Convey Property	May 2016
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ARTICLE II. CONVEYANCE OF PROPERTY

SEC. 201. Form of Deed. The City shall convey to the Developer title to the Property by warranty deed (the “Deed”) in the form attached hereto as **Exhibit “B”**. Such conveyance and title shall be subject to the condition subsequent provided for in Section 1104 hereof, and subject to liens, encumbrances, covenants or restrictions disclosed in the title insurance commitment to be provided by the City as set forth in Section 204(d) below; provided, however, that Developer has consented to and approved of such liens, encumbrances, covenants or restrictions as permitted encumbrances (collectively, “Permitted Liens”).

Furthermore, both the City and Developer recognize and acknowledge that this Agreement expressly provides for certain easements, encumbrances or reservations with respect to the Property, which will be continued, or newly created simultaneously with the conveyance of the Property from the City to the Developer. The City shall use its best efforts to minimize the impact upon Developer’s Project of any such easement(s), encumbrance(s), or reservation(s), and Developer’s obligation to purchase the Property shall be conditioned upon Developer satisfying itself of the feasibility and suitability of the Property, subject to such easements, encumbrances, or reservations, prior to the date of closing of the purchase of the Property from the City.

SEC. 202. Time and Place for Delivery of Deed. The closing of the transaction and conveyance referred to herein shall occur before May 13, 2016, or on an earlier date selected by Developer upon not less than 5 business days’ prior written notice to the City, or such other date as mutually agreed to by the parties, at the principal office of the City, and the Developer shall accept such conveyance and pay the purchase price to the City at such time and place.

SEC. 203. Recording of Deed. The Developer shall promptly file the Deed for recording among the land records of Sheboygan County. The Developer shall pay all costs for so recording the Deed.

SEC. 204. Conditions Precedent to Developer’s Obligations. The Developer’s obligation to conclude the transaction contemplated herein shall be subject to the Developer’s satisfaction, or waiver thereof, of each of the following conditions on or prior to the date of closing:

- (a) **Property Acquisition.** Developer determining, after receipt of title, survey and the environmental audit and geotechnical reports referenced below, and such other information as determined appropriate by Developer, whether it will acquire the Property under this Agreement.
- (b) **Financing Contingency.** Developer obtaining a written loan commitment from a lending institution of Developer's choice in an amount and with such terms and conditions acceptable to Developer, within Developer's sole discretion, for the construction of the Project and any and all Improvements (as defined below) related thereto.
- (1) **Evidence of Equity Capital and Bank Mortgage Financing.** As promptly as possible, but not later than one hundred eighty (180) days after the execution of this Agreement, the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has the equity capital and commitments for mortgage financing necessary for the timely completion of construction of the Project and the Improvements.
- (2) **City Contribution.** In order for this Project to occur, the City hereby agrees to and shall contribute One Million Four Hundred Fifty-Seven Thousand, Six Hundred Seventy-Four and 00/100 Dollars (\$1,457,674.00) (the "Developer Incentive Payment") from Tax Increment District No. 16 in upfront developer incentive payable within five (5) business days after the later of (i) the date that building permits are issued for the applicable Improvements and (ii) the date that is 75 days after Developer has satisfied the condition described in subsection (1) above and closed on the acquisition of the Property, or such earlier date as may be agreed upon by the City. The amount of the Developer Incentive Payment may be reduced if the Minimum Investment (as hereinafter defined) is not met. In order for the Developer to receive these funds, the Developer shall provide financial documentation to the City to substantiate the remaining gap shortfall as evidenced by agreements from lenders and equity investors.
- (3) **City Contribution Commitment.** The City shall provide Developer and Developer's lenders with a written commitment that states that, subject to the provisions of subsection (2) above, the City will pay the Developer Incentive Payment to Developer.
- (c) **Environmental.** The City delivering to Developer, within fifteen (15) days after execution of this Agreement, all environmental information in the possession of the City and/or the City's agents, attorneys, consultants or independent contractors, including, but not limited to, any and all environmental Phase I and Phase II environmental reports, soil and groundwater test results, correspondence with and orders or directives from governmental agencies (e.g. the Environmental Protection Agency, the Wisconsin Dept. of Natural Resources and other such agencies), case closure letters, remedial action plans and similar information,

including, without limitation, a Phase I environmental assessment dated no earlier than October 31, 2015 prepared by an environmental consultant reasonably satisfactory to Developer (and which provides for certification to or letters of reliance to be issued to Developer and its lenders).

Developer's obligation to conclude this transaction is further contingent upon Developer determining, in Developer's sole discretion, not less than twenty (20) days prior to the date of closing, that such information does not disclose the existence of any recognized environmental conditions or any other environmental issues, hazardous conditions, materials or substances located on, in or with respect to the Property to which Developer may object.

For purposes of this Subsection (c), a hazardous material, condition, or substance, recognized environmental condition, or any other environmental condition shall include, but not be limited to, any condition, material or substance that does not comply with federal, state or local environmental laws, rules or regulations, any material or condition defined as hazardous within the meaning of such laws, rules or regulations, or any condition, material or substance defined as a recognized environmental condition as determined by the Standards of the American Society for Testing and Materials (ASTM), or the presence of asbestos, underground storage tanks, petroleum products or similar substances.

In the event such information, audits or reports disclose or confirm the presence of any hazardous material, condition or substance on, in or with respect to the Property, or the existence of any recognized environmental condition or any other environmental condition affecting or relating to the Property, Developer may, at Developer's sole discretion,

- (1) terminate this Agreement by providing written notice thereof to the City, or
 - (2) accept the Property "as-is" despite the presence of such hazardous material, condition or substance or the existence of such recognized environmental condition or other environmental condition.
- (d) **Title.** The City delivering to Developer, within fifteen (15) days after Developer's request therefor, a commitment in favor of Developer for an ALTA Form (2006 or its current equivalent form) owner's policy of title insurance (the "Title Policy") with respect to the Property, from a title insurance company agreed upon by the parties ("Title Company") (the title insurance premium for such Title Policy shall be paid by the City).

Not less than twenty (20) days prior to the date of closing, Developer shall notify the City in writing of any unacceptable exceptions which are disclosed in the title commitment; in the absence of such notification, such exceptions shall be deemed accepted by Developer. The Title Policy shall contain such endorsements required by Developer, which endorsements shall be obtained at the Developer's expense.

In the event Developer disapproves of any matter pertaining to title, Developer may request and the City shall, upon receipt of written request from Developer, use its best efforts to correct such defect or disapproved matter and to effectuate the same within fifteen (15) days after receipt of such request from Developer. During such period that the City is attempting to cure such defect or disapproved matter, the time for satisfaction or waiver of the condition pertaining to title shall be extended for a commensurate period. Any mortgages, liens or judgments or other monetary encumbrances shown on the title commitment will be paid or satisfied by the City or with Developer's consent not to be unreasonably withheld, insured over by the Title Company on or prior to the date of closing.

In the event that the City elects to cure, but is unable to satisfy any such defect or disapproved matter within such fifteen (15) day period, or in the event that the City elects not to cure any defect or disapproved matter, Developer may, within ten (10) days after receipt of written notice from the City that the City has been unable to cure or is unwilling to cure:

- (1) terminate this Agreement by providing written notice thereof to the City;
or
 - (2) Developer may take title "as-is" and the closing date shall be extended until the date which is five (5) business days after the date of such election by Developer.
- (e) **Survey.** Developer's receipt, within ninety (90) days after execution of this Agreement, but no later than February 1, 2016, at the Developer's expense, of a current survey of the Property, staked, and made by a surveyor licensed in the State of Wisconsin and approved by Developer, showing such detail and criteria as determined by Developer, in Developer's sole discretion. Developer shall have the right to include any survey objections in its request letter under subsection (d), whereupon said survey objections shall be handled under subsection (d) as if a title objection and Developer shall have the same rights with respect thereto.
- (f) **Governmental Permits, Licenses and Approvals.** Developer obtaining prior to date of closing, all necessary permits, licenses and approvals from the City, and/or any other applicable governmental entity or agency, for the Project and related Improvements, as determined by Developer, within Developer's sole discretion. The City agrees to cooperate with Developer in the application for any such permits, licenses and approvals, including, without limitation, the timely provision thereof.
- (g) **Utility Connections.** Developer obtaining written evidence, at the City's expense, that sanitary sewer, storm sewer and potable water mains are located adjacent to the Property boundary line. In the event that sewer and water laterals are not stubbed off at the mains and located at the Property boundary line, the

Developer shall be solely responsible for any and all costs and expenses related to bringing such sewer and water laterals to the Property boundary line.

- (h) **Soil and Topographic Conditions.** The City delivering to Developer, within ten (10) days after execution of this Agreement, all information, reports, documentation or otherwise in the possession of the City and/or the City's agents, attorneys, consultants or independent contractors relating to the soil and topographic conditions of the Property. Developer's obligation to conclude this transaction is further contingent upon Developer determining, in Developer's sole discretion, on or prior to the date of closing, that such information does not disclose any soil or topographic conditions that would impair, interfere with or negatively impact, as solely determined by Developer, the Project or the Improvements related thereto. Developer's obligation to conclude this transaction is further contingent upon the Developer, at its option and expense, obtaining prior to closing:
- (1) written confirmation from a recognized and qualified soil and engineering firm (selected by Developer), that the soil and subsoil conditions of the Property are sufficient and suitable, as determined by Developer, in its sole discretion, for the Project and the Improvements related thereto, and
 - (2) soil borings and soil reports which verify a minimum poundage per square foot (psf) of soil bearing capacity, as determined by Developer,
- all of which soil borings, tests, reports and confirmation shall be certified to, or otherwise expressly provide that it may be relied upon by, Developer and its lenders.
- (i) **City and Developer Agreements.** The City and Developer agreeing upon the forms of the Parking Lease, Staging Easement, Greenspace Restriction, Use Restriction, and ROFR Agreement (as such terms are hereinafter defined) on or before the date that is ninety (90) days after the effective date of this Agreement or such later date as may be agreed upon by Developer and the City.
- (j) **Termination for Failure of a Condition.** If any of the above conditions are not satisfied within the time frames provided above for such conditions, then Developer may (1) terminate this Agreement by providing written notice thereof to the City; or (2) waive said condition.

ARTICLE III. TIME FOR COMMENCEMENT AND COMPLETION OF IMPROVEMENTS

The construction of the Project shall be commenced within three (3) months after the date of closing of the purchase of the Property by Developer and, except as otherwise provided in this Agreement, shall be substantially completed within twelve (12) months after commencement of construction, as extended under Section 1107.

**ARTICLE IV.
SPECIAL PROVISIONS**

SEC. 401. Minimum Investment. Developer shall utilize the Property by clearing the site and constructing the Project and all related improvements, at a minimum investment of Ten Million Two Hundred Sixty-One Thousand Five Hundred Thirty- Six and 00/100 Dollars (\$10,261,536.00) dollars (“Minimum Investment”) as generally reflected on the pro forma attached hereto as defined in **Exhibit “C”** (“Developer’s Development Pro-forma”).

Minimum Investment includes costs for construction of all buildings and other improvements on the Property and leasehold improvements and all related development costs, lease up expenses and operating reserves included within Developer’s Development Pro-forma made or incurred by Developer in connection with the Project, on or before stabilization of the Project on the Property as required by this Agreement, or such later date as the parties may hereafter agree, including, without limitation, any and all costs (remediation costs or otherwise) Developer may incur with respect to any environmental contamination, hazardous materials, conditions or substances, recognized environmental conditions or any other environmental condition, which may exist on, in or with respect to the Property. Upon the request of the City, Developer shall provide the City the opportunity to review reasonable evidence of the costs incurred by Developer for the Project.

Any provision of this Agreement to the contrary notwithstanding, the City and Developer hereby acknowledge and agree that the failure of Developer to satisfy the Minimum Investment requirements by the dates set forth herein shall not constitute a default or breach by Developer under this Agreement nor subject Developer to any penalty, liability or remedy available to the City hereunder or otherwise available to it at law or in equity, provided that the cause of such failure by Developer is unavoidable delay due to (a) acts of God or other matters beyond the control of Developer as referenced in Section 1107 below, or (b) environmental contamination, hazardous materials, conditions or substances, recognized environmental conditions or any other environmental condition, which may exist on, in or with respect to the Property not arising from the act or intentional omission of Developer; it being the purpose and intent of this provision that in the event of the occurrence or existence of such causes of delay, the time or times for satisfying the Minimum Investment requirements set forth herein shall be extended by the minimum period required for the completion of all necessary remediation of the Property, or a time period commensurate with the period of delay, as the case may be.

SEC. 402. Guaranteed Real Estate Property Tax Payment.

(a) **Guarantee.** The Developer shall guarantee payment of an amount of real estate tax. The amount of real estate tax that the Developer and/or its affiliates, as the case may be, guarantee would be generated by the Project, regardless of the assessed value and mill rate. The total real estate taxes per year from the project shall be the following:

2018	\$100,000
2019	\$170,000

2020	\$170,000
2021	\$170,000
2022	\$170,000
2023	\$170,000
2024	\$175,000
2025	\$175,000
2026	\$175,000
2027	\$175,000

**ARTICLE V.
PREPARATION OF PROPERTY FOR DEVELOPMENT**

SEC. 501. City Responsibilities. The City shall, without expense to the Developer cooperate with the Developer, other authorities, and other agencies, their departments, officers and employees, and provide such assistance as may be reasonably requested by the Developer in connection with the fulfillment of the Developer’s obligations under this Agreement. The City hereby represents that the City has complied with all procedures necessary to obtain approval of the use of funds from Tax Increment District No. 16, including obtaining all required approvals, such as from the joint review board, holding all required public hearings with proper notice and including in the notice that a cash grant is included. The City agrees to transmit a copy of this Agreement executed by Developer to the joint review board.

SEC. 502. Developer’s Responsibilities. The Developer shall, without expense to the City:

- (a) **Assist City.** Cooperate with the City, other authorities, and other agencies, their departments, officers and employees, and provide such assistance as may be reasonably requested by the City in connection with the fulfillment of the City’s obligations under this Agreement.
- (b) **Conduct Studies.** Prior to closing on the purchase of the Property from the City, conduct sufficient market, architectural and engineering studies, soils analyses, environmental assessments and any other investigations deemed necessary by the Developer to satisfy Developer of the feasibility and suitability of the Property to the Project.

**ARTICLE VI.
RIGHTS OF ACCESS TO PROPERTY**

SEC. 601. Right of Entry for Utility Service. The City reserves for itself, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the Property boundary lines as expressly provided for and in accordance with the easements that are Permitted Liens hereunder.

SEC. 602. Developer Not to Construct Over Utility Easements. The Developer shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities that are Permitted Liens, unless such construction is provided for in such easement or has been approved by the City, which approval shall not be unreasonably withheld, conditioned or delayed, and unless Developer indemnifies and agrees to hold harmless the City and any public utility company as may be appropriate from all loss or damage to property or injury to persons arising from such construction by Developer within such easement.

SEC. 603. Access to Property. Prior to the conveyance of the Property by the City to the Developer, the City shall permit representatives of the Developer to have access to the Property, at all reasonable times for the purpose of obtaining data and conducting inspections, assessments, studies, and various tests, concerning the Property necessary to evaluate the Property and carry out this Agreement, which inspections shall be undertaken at the Developer's own risk. After the conveyance of the Property by the City to the Developer, the Developer shall permit the representatives of the City access to the Property, at all reasonable times and upon reasonable notice, to the extent the City deems such access necessary for the purposes of this Agreement including, but not limited to, inspection of all work being performed in connection with the construction of the Improvements, which inspections shall be undertaken at the City's own risk. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this section.

**ARTICLE VII.
CONSTRUCTIONS PLANS; CONSTRUCTION OF IMPROVEMENTS;
CERTIFICATE OF COMPLETION**

SEC. 701. Plans for Construction of Improvements. Plans and specifications with respect to the development of the Property and the construction of Improvements thereon shall be in material conformity with this Agreement, and all applicable federal, state and local laws and regulations. By April 30, 2016, Developer shall submit to the City, for approval by the City, plans, drawings, specifications and related documents, and the proposed construction schedule (which plans, drawings, specifications, related documents and progress schedule, together with any and all changes therein that may thereafter be made and submitted to the City as herein provided are, except as otherwise clearly indicated by the context, hereinafter collectively called "Construction Plans"), with respect to the Improvements to be constructed by the Developer on the Property, in sufficient completeness and detail to show that such Improvements and construction thereof will be materially in accordance with the provisions of this Agreement.

The City shall, if the Construction Plans originally submitted materially conform to the provisions of this Agreement, approve in writing such Construction Plans and no further filing by the Developer or approval by the City thereof shall be required, except with respect to any material change that would require approval of the City under its conditional use permit process through the City Plan Commission and architectural review by the Architectural Review Board. Such Construction Plans shall, in any event, be deemed approved unless rejection thereof in writing by the City, in whole or in part, setting forth in detail the reasons therefor, shall be made within seven (7) days after the date of their receipt by the City.

If the City so rejects the Construction Plans in whole or in part as not being in material conformity with this Agreement, the Developer shall submit new or corrected Construction Plans which are in material conformity with this Agreement within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the City, which approval shall not be unreasonably withheld, conditioned, or delayed, provided, that in any event the Developer shall submit Construction Plans which are in material conformity with the requirements of this Agreement, as determined by the City, no later than ninety (90) days after the date the Developer receives written notice from the City of the City's first rejection of the original Construction Plans submitted to it by the Developer.

All work with respect to the Improvements to be constructed or provided by the Developer on the Property shall be in material conformity with the Construction Plans as approved by the City. The term "Improvements," as used in this Agreement, shall be deemed to have reference to the Improvements as provided and specified in the Construction Plans as approved.

Upon approval of the Construction Plans by the City, Developer intends to promptly submit the Construction Plans to the appropriate agency of the State of Wisconsin (the "State") for approval as required in order to obtain a building permit. If the Construction Plans have not been approved by both the City and the State on or before May 13, 2016, the date for closing shall be extended until the second business day after such Construction Plans have been so approved and any such delay in approvals beyond May 13, 2016, shall qualify as an extension under Section 1107 hereof.

SEC. 702. Changes in Construction Plans. If the Developer desires to make any material change in the Construction Plans after their approval by the City that would require approval of the City under its conditional use permit process through the City Plan Commission or architectural review by the Architectural Review Board, the Developer shall submit the proposed change to the City for its approval under either or both of those processes, as applicable.. If the Construction Plans, as modified by the proposed change, materially conform to the requirements of Section 701 hereof with respect to such previously approved Constructions Plans, the City shall approve the proposed change and notify the Developer in writing of its approval, which approval shall not be unreasonably withheld, conditioned, or delayed. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejection thereof, in whole or in part, by written notice thereof by the City to the Developer, setting forth in detail the reasons therefor, shall be made within thirty (30) days after the date of the City's receipt of notice of such change.

SEC. 703. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance. The submission of Construction Plans and their approval by the City and the State as provided in Section 701 hereof, and the submission of satisfactory evidence of equity capital and commitments for mortgage financing as provided in Section 204 hereof, are conditions precedent to the obligations of the Developer to purchase the Property and the City to convey the Property to the Developer.

SEC. 704. Progress Reports. Subsequent to conveyance of the Property, or any part thereof, to the Developer, and until construction of the Improvements has been completed, the Developer shall make reports, in such detail and at such times as may reasonably be requested by the City, as to the actual progress of the Developer with respect to such construction.

**ARTICLE VIII.
RESTRICTIONS UPON USE OF PROPERTY**

SEC. 801. Restrictions on Use. The Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Developer for itself, and such successors and assigns, that the Developer, and such successors and assigns, shall:

- (a) devote the Property to, and only to and in accordance with, the uses specified in this Agreement, i.e. mixed use residential and commercial and appurtenant uses, for a period of not less than twenty-seven (27) years from date of Completion of the Project (as hereinafter defined); and
- (b) not discriminate upon the basis of race, color, creed, sex, religion, ancestry, disability, sexual orientation, marital status, family status, lawful source of income, age or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

SEC. 802. Covenants; Binding Upon Successors in Interest; Period of Duration. It is intended and agreed, and the Deed shall so expressly provide, that the agreements and covenants provided in Section 801 hereof shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the City against the Developer and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

SEC. 803. City Rights to Enforce. In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the City shall be deemed a beneficiary of the agreements and covenants provided in Section 801 hereof, for and in its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided to the City. Such agreements and covenants shall (and the Deed shall so state) run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the City has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The City shall have the right, in the event of any material breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to

which it or any other beneficiaries of such agreement or covenant may be entitled. The City shall also have the right to release, terminate, modify or amend such agreements and covenants.

**ARTICLE IX.
PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER**

SEC. 901. Representations as to Development. The Developer represents and agrees that its purchase of the Property, and its other undertakings pursuant to this Agreement are, and will be used, for the purpose of development of the Property and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the development of the Property to the general welfare of the community; and
- (b) the below market purchase price that has been made available by the City for the purpose of making such development possible;

the qualifications and identity of the Developer are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with the Developer and, in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants hereby by it to be performed without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement.

SEC. 902. Prohibition Against Transfer of Ownership Interests. For the foregoing reasons, the Developer represents and agrees for itself, its members, and any successor in interest of itself and its members, respectively, that, unless otherwise approved by the City in writing, prior to Completion of the Project as certified by the City:

- (a) Michael L. Morey and/or his spouse and/or his descendants (collectively, "Morey") shall own directly or indirectly not less than 51% of the ownership interests in Developer, unless otherwise consented to by the City, which consent shall not be unreasonably withheld, conditioned or delayed); and
- (b) The identity of the other shareholders or holders of ownership interests in Developer that are not included within the term "Morey" ("Independent Owners") shall be disclosed to the City; provided, however, that if the Independent Owners do not own individually more than 5% of the Developer and do not own in the aggregate more than 30% of the Developer, Developer shall not be required to disclose any such information and said Independent Owners may freely transfer shares or other ownership interests in Developer;

With respect to this provision, the Developer and the parties signing this Agreement on behalf of the Developer represent that they have the authority of all of its existing shareholders to agree to this provision on their behalf and to bind them with respect thereto.

SEC. 903. Prohibition Against Transfer of Property and Assignment of Agreement. For the foregoing reasons the Developer represents and agrees for itself that:

- (a) Except only by way of security for, and only for,
 - (1) the purpose of obtaining financing necessary to enable the Developer or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to constructing the Project under this Agreement, and
 - (2) any other purpose or as otherwise authorized by this Agreement,

the Developer (except as so authorized) has not made or created, and that it will not, prior to the Completion of the Project, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed.

- (b) The City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval, that:
 - (1) Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).
 - (2) Any proposed transferee, by instrument in writing reasonably satisfactory to the City and in form recordable among the land records shall and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part). Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) relieve or except such transferee or successor of or from such obligations, conditions or restrictions, or deprive or limit the City of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of this Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided

otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property and the construction of the Improvements that the City would have had, had there been no such transfer or change.

- (3) There shall be submitted to the City for review all instruments and other legal documents effecting the transfer; and if approved by the City, which approval shall not be unreasonably withheld, conditioned, or delayed, its approval shall be indicated to the Developer in writing.

In the event, the transferee satisfies the conditions set forth in Subsections (b)(1)-(3) above, and City approves the sale, assignment, conveyance, lease or transfer to the transferee, then any and all obligations under this Agreement shall be transferred to the transferee and the Developer shall be released from any and all obligations under this Agreement. Notwithstanding anything contained in this Section 903 or this Agreement to the contrary, Developer, prior to Completion of the Project, shall have the right to enter into agreements with third parties for (i) the pre-leasing or leasing of any apartments and/or retail/commercial space which are part of the Project and (ii) easements, rights of way and licenses entered into in the ordinary course of construction, and such third parties (and the agreements entered into by Developer with them) shall not be subject to any approval by the City.

“Completion of the Project” shall mean the issuance of a certificate of occupancy (with or without conditions) for the Project and a certificate of substantial completion by the architect for the Project.

SEC. 904. Information as to Members. In order to assist in the effectuation of the purposes of this Article IX, the Developer agrees that during the period between execution of this Agreement and Completion of the Project:

- (a) the Developer will promptly notify the City of any and all changes whatsoever in the ownership of the Developer, legal or beneficial, or of any other act or transaction, involving or resulting in any change in more than 49% of the ownership of Developer, or with respect to the identity of the parties in control of the Developer which it or any of its members have been notified or otherwise have knowledge or information; and
- (b) the Developer shall, at such time or times as the City may request, furnish the City with a complete statement, subscribed and sworn to by the authorized or managing officers or shareholders of the Developer that Morey remains the direct or indirect owners of not less than 51% of the shares of or other membership interests in, and has direct or interest management control of, the Developer or other ownership or control approved by the City and that no Independent Owner

of Developer owns more than 5% and that all Independent Owners, in the aggregate, do not own more than 30% of Developer.

SEC. 905. City Transfers. The City shall not transfer, assign, encumber or otherwise convey any or all of its rights, obligations or interests under this Agreement except to a redevelopment authority of the City or another agency or authority of the City and then only after prior written notice to the Developer.

ARTICLE X. MORTGAGE FINANCING; RIGHTS OF MORTGAGEES

SEC. 1001. Limitation Upon Encumbrance of Property. Prior to the Completion of the Project, neither the Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for:

- (a) the purposes of obtaining funds, but only to the extent necessary for acquisition, construction and development and operation of the Project;
- (b) construction liens being contested by Developer in good faith;
- (c) liens for taxes and other government charges not yet due and payable;
- (d) easements, rights of way, and licenses granted in the ordinary course of construction by the Developer to the City; and
- (e) other mortgages, encumbrances or liens consented to in writing by the City.

Except for the financing, mortgage, encumbrances or liens permitted above, the Developer (or successor in interest) shall notify the City in advance of any financing, secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, or any part thereof, and the City shall not unreasonably withhold its consent to same. In any event, Developer shall promptly notify the City of any such encumbrance or lien that has been created on or attached to the Property and not dismissed within 90 days thereafter, whether by voluntary act of the Developer or otherwise.

SEC. 1002. Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement (“Mortgagee”) shall have the rights and benefits set forth in this Article X. The term “Mortgagee” shall include the Mortgagee and any affiliate of said Mortgagee who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof), but not including:

- (a) any other party who is not an affiliate of Mortgagee and thereafter obtains title to the Property or such part from or through Mortgagee or its affiliate; or

- (b) any other purchaser at foreclosure sale other than the Mortgagee or its affiliate.

The Mortgagee or its affiliate, as applicable, shall in no way be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such Mortgagee or its affiliate. Provided, that nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such Mortgagee or its affiliate to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or Improvements provided or permitted in this Agreement.

SEC. 1003. Copy of Notice of Default to Mortgagee. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations under this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder shown in the records of the City.

SEC. 1004. Mortgagee's Option to Cure Defaults. After any breach or default referred to in Section 1003 hereof, each such holder shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Provided, that if the breach or default is with respect to construction of the Project, nothing contained in this section or any other section of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect improvements or construction already made) without first having expressly assumed the obligation to the City, by written assumption agreement reasonably satisfactory to the City, to complete, in the manner provided in this Agreement, the Project on the Property or the part thereof to which the lien or title of such holder relates.

SEC. 1005. City's Option to Pay Mortgage Debt or Purchase Property. In any case, where, subsequent to default or breach by the Developer (or successor in interest) under this Agreement, the holder of any mortgage on the Property:

- (a) has, but does not exercise, the option to construct or complete the Project relating to the Property, and such failure continues for a period of sixty (60) days after the holder has been notified or informed of the default or breach and taken possession of or had a receiver appointed for the Project; or
- (b) undertakes construction or completion of the Project but does not complete such construction within the period as agreed upon by the City and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in this Agreement as extended by the reasons under Section 1107 below and by the number of days between notice of default and the taking of possession or the appointment of a receiver by such holder of such

Project or applicable part thereof), and such default shall not have been cured within ninety (90) days after written demand by the City so to do,

the City shall (and, provided mortgage holder is in agreement therewith, every mortgage instrument made prior to Completion of the Project with respect to the Property by the Developer or successor in interest shall so provide) have the option of paying to the holder the full amount of the remaining mortgage debt and securing an assignment of the mortgage and the debt secured thereby or, in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the City shall be entitled, at its option, to a conveyance to it of the Property or part thereof (as the case may be) upon payment to such holder of an amount equal to the sum of:

- (1) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
- (2) all expenses with respect to the foreclosure;
- (3) the net expense, if any (exclusive of general overhead), incurred by such holder in and as a direct result of the subsequent management of the Property;
- (4) the costs of any improvements made by such holder;
- (5) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence; and
- (6) any and all other amounts due to such holder from Developer secured by a mortgage on the Property.

SEC. 1006. City's Option to Cure Mortgage Default. In the event of a default or breach prior to the Completion of the Project by the Developer, or any successor in interest, in or of any of its material obligations under, and to the holder of, any mortgage or other instrument creating an encumbrance or lien upon the Property or part thereof, the City may at its option cure such default or breach, in which case the City shall be entitled upon thirty days prior written notice to Developer, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by this Agreement, operation of law, or otherwise, to reimbursement from the Developer or successor in interest of all costs and expenses incurred by the City in curing such default or breach and to a lien upon the Property (or the part thereof to which the encumbrance or lien relates) for such reimbursement, and shall be subject and subordinate always to the lien of (including any lien contemplated, because of advances yet to be made, by) any then existing mortgages on the Property authorized by this Agreement.

SEC. 1007. Mortgage and Holder. For the purposes of this Agreement: The term "mortgage" shall include deeds of trust or other instrument creating an encumbrance or lien upon

the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deeds of trust.

ARTICLE XI. REMEDIES

SEC. 1101. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach and, in any event, within sixty (60) days after receipt of such notice, provided if such default cannot reasonably be cured within such 60 day period, then such longer period of time as may be reasonably necessary for such cure, but not to exceed ninety (90) days unless the City consents from time to time to an additional extension, which consent shall not be unreasonably withheld, conditioned or delayed. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

SEC. 1102. Termination by Developer Prior to Conveyance. In the event that:

- (a) the City does not tender conveyance of the Property, or possession thereof, in the manner and condition provided in this Agreement, and any such failure shall not be cured within thirty (30) days after the date of written demand by the Developer; or
- (b) the Developer shall, after preparation of Construction Plans satisfactory to the City, furnish evidence reasonably satisfactory to the City that Developer has been unable, after and despite diligent effort for a period of sixty (60) days after approval by the City of the Construction Plans, to obtain mortgage financing for the construction of the Project on a basis and on terms that are satisfactory to Developer; or
- (c) the Developer is unable to satisfy (and otherwise has not waived), any of the conditions precedent contained in this Agreement;

then this Agreement shall, at the option of the Developer, be terminated by written notice thereof to the City and neither the City nor the Developer shall have any further rights against or liability to the other under this Agreement. Each of Developer and the City mutually acknowledge and agree that the Independent Consideration represents good and valuable consideration for this Agreement and, accordingly, each party hereto waives any and all claims or defenses to enforceability of this Agreement in any way predicated upon the broad discretion afforded Developer in evaluating the satisfaction of conditions precedent to Developer's performance. For purposes hereof, the term "Independent Consideration" means the costs and expenses that have been and will be incurred by Developer in investigating the Property, designing the Project,

negotiating this Agreement, negotiating with lenders, and other costs and expenses incurred by Developer in determining the feasibility of the Project.

SEC. 1103. Termination by City Prior to Conveyance. In the event that:

- (a) prior to conveyance of the Property to the Developer and except as otherwise permitted under this Agreement,
 - (1) the Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property in breach of this Agreement without the consent of the City as herein provided; or
 - (2) there is any change in the ownership or control of the Developer that is prohibited hereunder; or
- (b) the Developer does not submit Construction Plans, as required by this Agreement, or (except as excused under subdivision (b) of Section 1102 hereof) evidence that it has the necessary equity capital and mortgage financing, in reasonably satisfactory forms and in the manner and by the dates respectively provided in this Agreement therefor within 30 days after written notice from the City of such failure and demand for cure; or
- (c) the Developer does not pay the Purchase Price and take title to the Property upon tender of conveyance by the City pursuant to and in compliance with this Agreement, and if any such default or failure shall not be cured within thirty (30) days after the date of written demand by the City;

then this Agreement, and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property shall, at the option of the City, be terminated by the City by written notice thereof to the Developer, in which event, neither the Developer (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement.

SEC. 1104. Revesting Title in City Upon Happening of Event Subsequent to Conveyance to Developer. In the event that subsequent to conveyance of the Property or any part thereof to the Developer and prior to Completion of the Project:

- (a) the Developer (or successor in interest) shall materially default in or materially violate its obligations with respect to the construction of the Project (including the nature and the dates for the beginning and completion thereof) and the required Minimum Investment, or shall abandon or substantially suspend construction work (except for any abandonment or suspension that is the result of any events which are beyond the control of Developer), and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within three (3) months (six (6) months if the default is with respect to the date for Completion of the Project) after written demand by the City so to do; or

- (b) the Developer (or successor in interest) (i) shall fail to pay real estate taxes or assessments on the Property or any part thereof when due, or (ii) shall place thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy or attachment to be made, or any construction, materialmen's or mechanics' lien (not being contested in good faith), or any other unauthorized material encumbrance or material lien to attach, which lien, encumbrance, levy or attachment would reasonably be expected to have a material adverse effect on the Completion of the Project; and such taxes or assessments shall not have been paid, or the encumbrance, levy, attachment or lien removed or discharged or provision reasonably satisfactory to the City made for such payment, removal or discharge, within
- (1) ninety (90) days after written demand by the City so to do, provided that if such cure is capable of being made, then such longer period of time as may be reasonably necessary to effectuate such cure; or
 - (2) the applicable time period provided under any applicable State or local law, rule or regulation, whichever is longer; or
- (c) there is, in material violation of this Agreement, any transfer of the Property or any part thereof, and such material violation shall not be cured within ninety (90) days after written demand by the City to the Developer, as such ninety (90) day period is extended from time to time to allow for the cure of any such violation with the consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed;

then the City shall have the right upon not less than thirty (30) days prior written notice to Developer of its intent to do so, to re-enter and take possession of the Property and to terminate (and revert in the City) the estate conveyed by the Deed to the Developer, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the Property to the Developer shall be made upon, and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation or other action or inaction by the Developer specified in subdivisions (a), (b) and (c) of this Section 1104, failure on the part of the Developer to remedy, end or abrogate such default, failure, violation or other action or inaction, within the period and in the manner stated in such subdivisions, the City at its option may declare a termination in favor of the City of the title, and of all the rights and interests in and to the Property conveyed by the Deed to the Developer, and that such title and all rights and interests of the Developer, and any assigns or successors in interest to and in the Property, shall revert to the City. Provided, that such condition subsequent and any reversion of title as a result thereof in the City shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way, the lien of any mortgage authorized by this Agreement and any rights or interests provided in this Agreement for the protection of the holders of such mortgages.

SEC. 1105. Resale of Reacquired Property; Disposition of Proceeds. Upon the reversion in the City of title to the Property or any part thereof as provided in Section 1104, the

City shall, pursuant to its responsibilities under State law, use its best efforts to resell the Property or part thereof (subject to such mortgage liens and leasehold interests as in Section 1104 set forth and provided) as soon as possible and in a reasonably commercial manner as to a qualified and responsible party or parties (as reasonably determined by the City) who will assume the obligation of making or completing the Improvements or such other improvements in their stead as shall be reasonably satisfactory to the City, provided that the mortgage liens shall be fully paid and satisfied prior to or upon such resale. Upon such resale of the Property, the proceeds thereof shall be applied:

- (a) First, to reimburse the City for all reasonable costs and expenses incurred by the City, including, but not limited to, reasonable salaries of personnel, in connection with the recapture, management and resale of the Property or any part thereof (but less any income derived by the City from the Property or any part thereof in connection with such management); all taxes, assessments and water and sewer charges with respect to the Property or any part thereof (unless the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the City); and then any other encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the City or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer, its successors or transferees; any reasonable expenditures made or obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the City by the Developer and its successors or transferee; and
- (b) Second, to reimburse the Developer, its successor or transferee, up to the amount equal to the sum of the purchase price paid by it for the Property and the cash actually invested by it in making any of the Improvements on the Property, including, without limitation, any reasonable financing costs and other costs, expenses incurred and paid by Developer with respect to the Property and the Project, as well as any payments made by Developer to its lenders who provided financing for the Project. Any balance remaining after such reimbursements shall be retained by the City.

SEC. 1106. Other Rights and Remedies of City; No Waiver by Delay. The City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article XI, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title and interest of the Developer and its successors in interest and assigns in the Property, and the revesting of title thereto in the City. Provided, that any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article XI shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City should not be constrained (so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default

involved); nor shall any waiver in fact made by the City with respect to any specific default by the Developer under this section be considered or treated as a waiver of the rights of the City with respect to any other defaults by the Developer under this section or with respect to the particular default except to the extent specifically waived in writing.

SEC. 1107. Enforced Delay in Performance for Causes Beyond Control of Party.

For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for development, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to reasonably unforeseeable causes beyond its control and without its fault or negligence including, but not restricted to, acts of God, acts of the public enemy, acts of the Federal Government, or any other governmental instrumentality or agency, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unavailability of materials, unusually severe weather, delays by utility companies, delays in issuance of permits, consents or authorizations by any governmental instrumentality or agency, or delays of contractors, subcontractors or materialmen due to any of the foregoing causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City with respect to the preparation of the Property for development or of the Developer with respect to construction of the Project, or progress in respect thereto, as the case may be, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this section shall, within ten (10) business days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the enforced delay.

SEC. 1108. Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

SEC. 1109. Party in Position of Surety With Respect to Obligations. The Developer and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal or otherwise or whether by agreement or operation of law, including, without limitation on the generality of the foregoing, any and all

claims and defenses based upon extension of time, indulgence or modification of terms of contract.

ARTICLE XII. ADDITIONAL PROVISIONS

SEC. 1201. Parking Lease. At Closing, the City will lease to Developer on a 24/7, 365 day basis up to 43 parking spaces (each a “Parking Space” and collectively, “Parking Spaces”) in the location adjacent to the Property and depicted on **Exhibit “D”** attached hereto (the “Parking Space Area”) pursuant to a Parking Lease in form and substance to be agreed upon by the City and Developer acting reasonably and in good faith on or before the date that is 90 days after the effective date of this Agreement (the “Parking Lease”). The Parking Lease shall be for 98 years and will provide that the monthly per Parking Space rent charge will be based on the number of Parking Spaces then leased by Developer and will not exceed the lowest rent per parking space then being charged by the City or the parking assessment district (the “District”), as applicable, to other tenants of parking spaces owned by the City in the District. The Parking Space Area will, prior to Completion of the Project, be compacted, leveled, paved, and stripped, including a reasonable number of handicapped spaces, with the exact location of the Parking Space Area and access thereto (both to be as proximate to the Property as reasonably possible), the layout, signage and security installations to be as reasonably agreed to by the parties, and all of which shall be completed in a good and workmanlike manner and, after Completion of the Project, the Parking Space Area shall be maintained, repaired and replaced in good condition and repair in a good and workmanlike manner, including without limitation, snow removal and resurfacing, all of the foregoing to be undertaken by the City, at its cost.

SEC. 1202. Temporary Staging Easement. At Closing, the City will grant to Developer a temporary easement for construction staging and storage on a 24/7, 365 day basis during the construction of the Project in the location adjacent to the Property and depicted on **Exhibit “E”** attached hereto (the “Staging Area”) pursuant to a Construction Staging Easement Agreement in form and substance to be agreed upon by the City and Developer acting reasonably and in good faith on or before the date that is 90 days after the effective date of this Agreement (the “Staging Easement”). The Staging Easement will provide that the Storage Area will be provided at no cost to Developer.

SEC. 1203. Greenspace. The City owns a parcel of Property to the southwest of the Property and depicted on **Exhibit “F”** attached hereto (the “Greenspace Parcel”). The City intends to renovate and to create on the Greenspace Parcel an attractive public plaza/greenspace amenity for the public in a manner that is architecturally and aesthetically compatible and complimentary to the Project (the “Greenspace”). In that connection, the City hereby agrees to engage Developer’s selected landscape architect for the Project to design the renovation and creation of the Greenspace and to complete such design on or before the date that is 180 days after the effective date of this Agreement, which design shall be subject to the approval of Developer, which approval shall not be unreasonably withheld, and to complete the Greenspace pursuant to the approved design on or before Completion of the Project. At closing, the City shall record a deed restriction against the Greenspace Parcel in form and substance to be agreed upon by the City and Developer acting reasonably and in good faith on or before the date that is

90 days after the effective date of this Agreement (the "Greenspace Restriction"), which Greenspace Restriction shall provide that the Greenspace Parcel may be used only for a public plaza and greenspace for so long as the Project (or a replacement therefor constructed within three (3) years after the Project or any replacement project is destroyed or demolished) is located on the Property, unless otherwise consented to in a recorded document by the then owner of the Property.

SEC. 1204. Restriction on Use. The City owns property adjacent to and in the immediate vicinity of the Property, including the Greenspace and the Parking Area, as more particularly depicted and legally described on **Exhibit "G"** attached hereto (the "City Parcels"). At Closing, the City shall record a deed restriction against the City Parcels in form and substance to be agreed upon by the City and Developer acting reasonably and in good faith on or before the date that is 90 days after the effective date of this Agreement (the "Use Restriction"), which Use Restriction shall provide that the City Parcels shall not be used for any purpose that is not allowed under current zoning, is injurious to the reputation and "curb appeal": of the Project, or that is listed on **Exhibit "H"** attached hereto, for so long as the Project (or a replacement therefor constructed within three (3) years after the Project or any replacement project is destroyed or demolished) is located on the Property, unless otherwise consented to in a recorded document by the then owner of the Property

SEC. 1205. Right of First Refusal. At Closing, the City will grant to Developer a right of first refusal to purchase each of those City Parcels described on **Exhibit "H"** attached hereto (the "ROFR Parcels"). If, at any time prior to third (3^d) anniversary date of the Completion of the Project, the City receives a bona fide good faith offer to purchase a City Parcel, or any part thereof, from a party that may develop the applicable parcel, or a part thereof, for multifamily purposes that the City desires to accept (the "Offer"), then the City shall provide a copy of the Offer and all of its material terms to Developer and offer to sell the applicable parcel to Developer on the terms and conditions set forth in the Offer. Developer shall have thirty (30) days after receipt of the Offer to accept or reject the offer. If Developer fails to respond within such thirty (30) day period, Developer shall be deemed to have rejected such offer. If Developer rejects such offer, the City may sell the applicable parcel to the party making the Offer on the terms and conditions set forth in the Offer for a period of 180 days after such rejection or deemed rejection. If the closing does not take place within such 180 day period, then the City shall be required to reoffer the applicable parcel to Developer. If Developer elects to purchase the applicable parcel, then Developer and City shall enter into an agreement pursuant to which the City agrees to sell and Developer agrees to purchase the applicable parcel on the same terms as set forth in the Offer, provided that the closing shall take place on the later of the date set forth in the Offer or 90 days after Developer elects to purchase the applicable parcel. At Closing, the City shall record a right of first refusal agreement against the ROFR Parcels in form and substance to be agreed upon by the City and Developer acting reasonably and in good faith on or before the date that is 90 days after the effective date of this Agreement (the "ROFR Agreement").

**ARTICLE XIII.
MISCELLANEOUS**

SEC. 1301. Conflict of Interests; City Representatives Not Individually Liable.

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

SEC. 1302. Equal Employment Opportunity. The Developer agrees that during the construction of the Project provided for in this Agreement:

- (a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours. The Developer will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.
- (b) The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours.
- (c) The Developer will furnish all information and reports required by law and any and all applicable federal, state and local rules, regulations and orders, and will permit access to the Developer's books, records and accounts by the City, or appropriate governmental entity, for purposes of investigation to ascertain compliance with such laws, rules, regulations and orders.

- (d) In the event of the Developer's noncompliance with the nondiscrimination clauses of this section, or with any of the said rules, regulations or orders and failure to cure such noncompliance within thirty (30) days after written notice thereof, this Agreement may be canceled, terminated or suspended in whole or in part, and such other sanctions may be imposed and remedies invoked as provided by such law, rule, regulation or order, or as otherwise provided by law.
- (e) The Developer will include the provisions of Paragraphs (a) through (d) of this section in every contract or purchase order, and will use its best efforts to require the inclusion of these provisions in every subcontract entered into by any of its contractors, unless exempted by such rules, regulations or orders, so that such provisions will be binding upon each such contractor, subcontractor or vendor, as the case may be. The Developer will take such action with respect to any construction contract, subcontract or purchase order as the City may direct as a means of enforcing such provisions, including sanctions for noncompliance. For the purpose of including such provisions in any construction contract, subcontract or purchase order, as required hereby, the first three lines of this section shall be changed to read "During the performance of this Contract, the Contractor agrees as follows:" and the term "Developer" shall be changed to "Contractor."

SEC. 1303. Provisions Not Merged with Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the City to the Developer or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

SEC. 1304. Titles of Articles and Sections. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

SEC. 1305. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Notwithstanding anything contained in this Agreement to the contrary, Developer may assign this Agreement by one or more successive assignments at any time prior to closing to any related entity or affiliate of Developer; provided, however, that the members or owners of any such related entity or affiliate include one or more of the principals of Eighth Street Housing Corporation. Upon any permitted assignment by Developer, the assignee shall have the rights and obligations of Developer hereunder and Developer shall thereupon, automatically and without execution of further instruments or documents, be relieved and released from any obligations under this Agreement, without any further action or approval of the parties. Developer may assign this Agreement without restriction after Completion of the Project. Upon any permitted assignment by the City, the assignee shall have the rights and obligations of the City hereunder.

SEC. 1306. Notices and Demands. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is (a) delivered personally, (b) sent by a nationally recognized overnight delivery service, (c) electronically transmitted with confirmation promptly sent by either the method specified in

subsection (a) or (b), or (d) if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid, and

- (a) in the case of the Developer, is addressed to or delivered personally to the Developer at 2 Science Court, Madison, WI 53711; and
- (b) in the case of the City, is addressed to or delivered personally to the City, Attention: City Clerk, at 828 Center Avenue, Sheboygan, Wisconsin 53081, electronic transmission shall be to the email address of the then current City Clerk and Developer shall notify the City Clerk by telephone or in person that such a transmission has been sent;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. All notices shall be deemed given on the day such notice is delivered (or if refused, the date of such refusal) or transmitted by telephone, facsimile or by email in portable document (.pdf) format, or on the fifth business day following the date such notice is mailed in accordance with this Section.

SEC. 1307. Mutual Waiver. Except as otherwise set forth herein, failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by such party of any of its rights hereunder. No waiver by either party at any time, expressed or implied, of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision.

SEC. 1308. Completion Certificate. At the request of Developer, the City shall execute a Certificate of Completion of the Project in recordable form within ten (10) days after the later of Completion of the Project or Developer's request for said certificate, in substantially the form attached hereto as **Exhibit "I."** Developer shall have the right to record said certificate against the Property in the Office of the Register of Deeds for Sheboygan County, Wisconsin

SEC. 1309. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

SEC. 1310. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Signatures delivered by facsimile, email (in pdf.) or similar electronic methods shall be deemed to be original signatures for all purposes.

(Signature Page Follows)

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

**CITY OF SHEBOYGAN,
WISCONSIN**

**EIGHTH STREET HOUSING
CORPORATION**

BY: _____
Michael J. Vandersteen,
Mayor

BY: _____
Michael Morey,
President

ATTEST:

Susan Richards
City Clerk

BY: _____
Michael C. Morey,
Vice President

CITY COMPTROLLER

BY: _____
Nancy Wasmer
Comptroller/City Treasurer

[Signature Page to Contract for Sale of Land]

EXHIBIT "A"
Description of Property

[See attached site plan. Legal description to generally reflect the site plan and shall be the same as the legal on the Survey and the Title Commitment.]

Exhibit A - 1

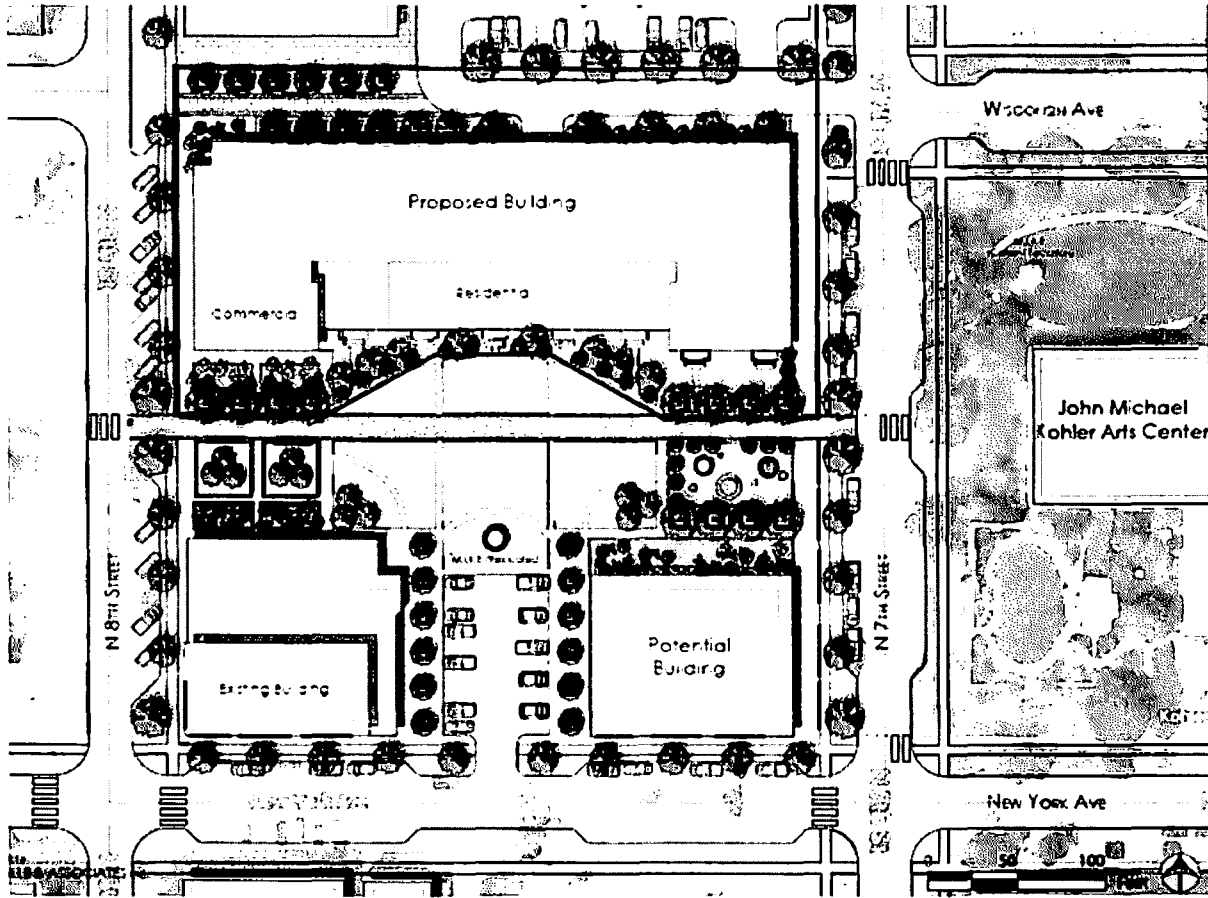


Exhibit A - 2

EXHIBIT "B"
Form of Deed

See Attached

Exhibit B - 1

State Bar of Wisconsin Form 6-2003
SPECIAL WARRANTY DEED

Document Number

Document Name

THIS DEED, made between _____

_____ ("Grantor," whether one or more),
and _____

_____ ("Grantee," whether one or more).

Grantor, for a valuable consideration, conveys to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in _____ County, State of Wisconsin ("Property") (if more space is needed, please attach addendum):

Recording Area

Name and Return Address

Parcel Identification Number (PIN)

Grantor warrants that the title to the Property is good, indefeasible in fee simple and free and clear of encumbrances arising by, through, or under Grantor, except:

This _____ homestead property.
(is) (is not)

Dated _____.

* _____ (SEAL)

* _____ (SEAL)

* _____ (SEAL)

* _____ (SEAL)

AUTHENTICATION

Signature(s) _____

authenticated on _____

* _____

ACKNOWLEDGMENT

STATE OF WISCONSIN)

) ss.

_____ COUNTY)

Personally came before me on _____,

the above-named _____

to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

* _____

Notary Public, State of Wisconsin
My Commission (is permanent) (expires: _____)

TITLE: MEMBER STATE BAR OF WISCONSIN

(If not, _____
authorized by § 706.06, Wis. Stats.)

THIS INSTRUMENT DRAFTED BY:

(Signatures may be authenticated or acknowledged. Both are not necessary.)

NOTE: THIS IS A STANDARD FORM. ANY MODIFICATIONS TO THIS FORM SHOULD BE CLEARLY IDENTIFIED.
SPECIAL WARRANTY DEED

STATE BAR OF WISCONSIN
FORM NO. 6-2003

* Type name below signatures.

EXHIBIT "C"
Developer's Development Pro Forma

ARTS & CULTURE PLAZA APARTMENTS
SOURCES & USES OF FUNDS
PROFORMA | DIRECT TIF CONTRIBUTION

I. SOURCES		
1. FIRST MORTGAGE	\$ 7,346,188	
2. SECOND MORTGAGE	\$ -	
3. TAX CREDIT EQUITY	\$ -	
4. SOFT FUNDING	\$ 1,457,674	CITY TIF CONTRIBUTION
5. DEVELOPER EQUITY	\$ 1,457,674	DEVELOPER EQUITY
6. INTEREST INCOME	<u>\$ -</u>	
TOTAL SOURCES	\$ 10,261,536	
II. USES		
1. LAND/ACQUISITION/SURFACE PARKING	\$ -	LAND CONTRIBUTION/IMPROVEMENTS
2. SITE WORK	\$ -	INCLUDED IN HARD COSTS
3. HARD COSTS / CONSTRUCTION	\$ 9,549,036	CONSTRUCTION ESTIMATE
4. CONSULTANTS	\$ 385,500	DESIGN, ENGINEERING, ETC.
5. DEVELOPMENT FEE	\$ -	
6. FINANCING	\$ 147,000	CONSTRUCTION INT, FINANCING FEES
7. SOFT COSTS	\$ 65,000	BUDGET ESTIMATE
8. RESERVES	<u>\$ 115,000</u>	LEASE-UP RESERVE, MARKETING
TOTAL USES	\$ 10,261,536	

EXHIBIT "D"
Description of Parking Space Area

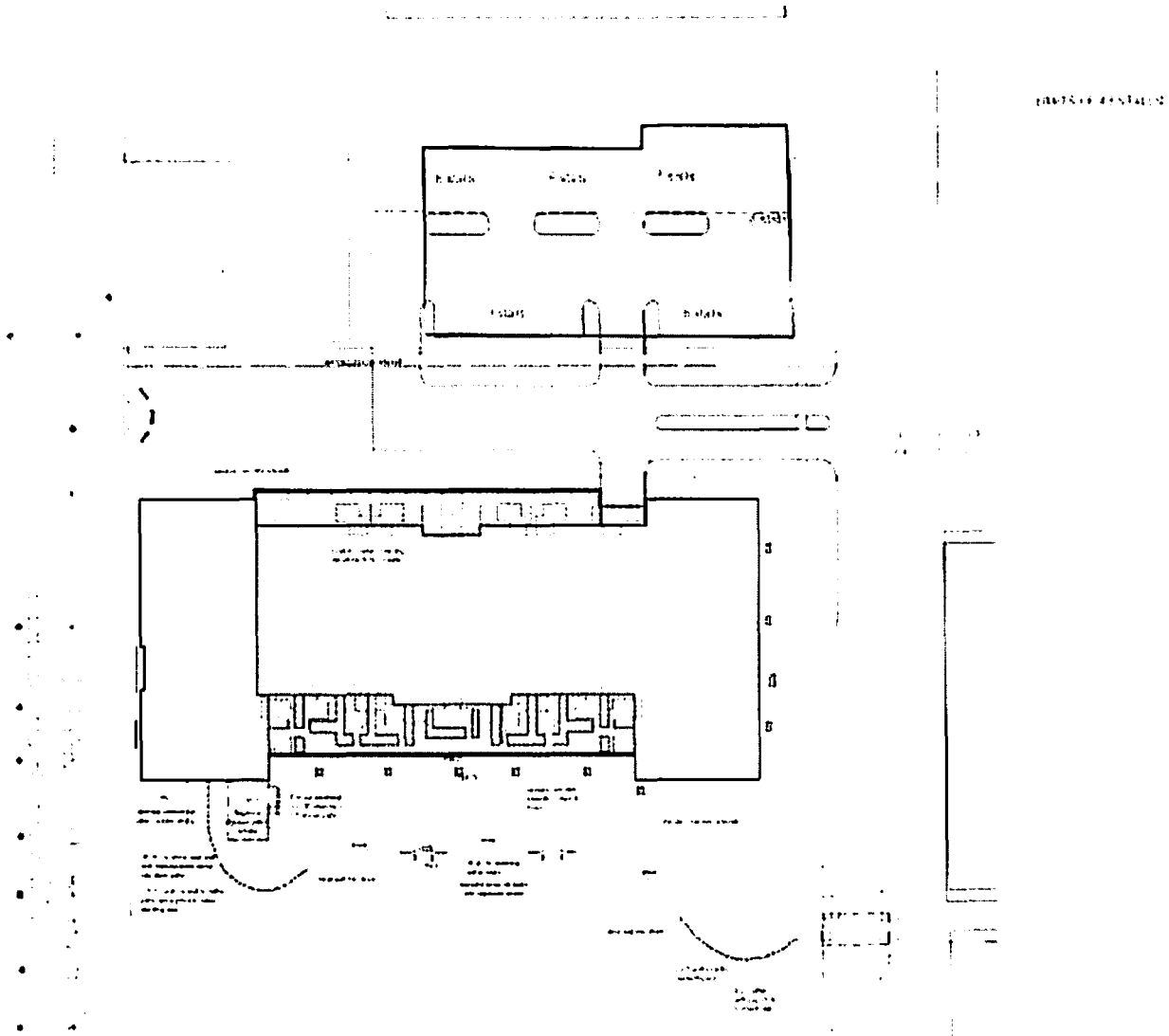


Exhibit D - 1

EXHIBIT "F"
Description of Greenspace Parcel

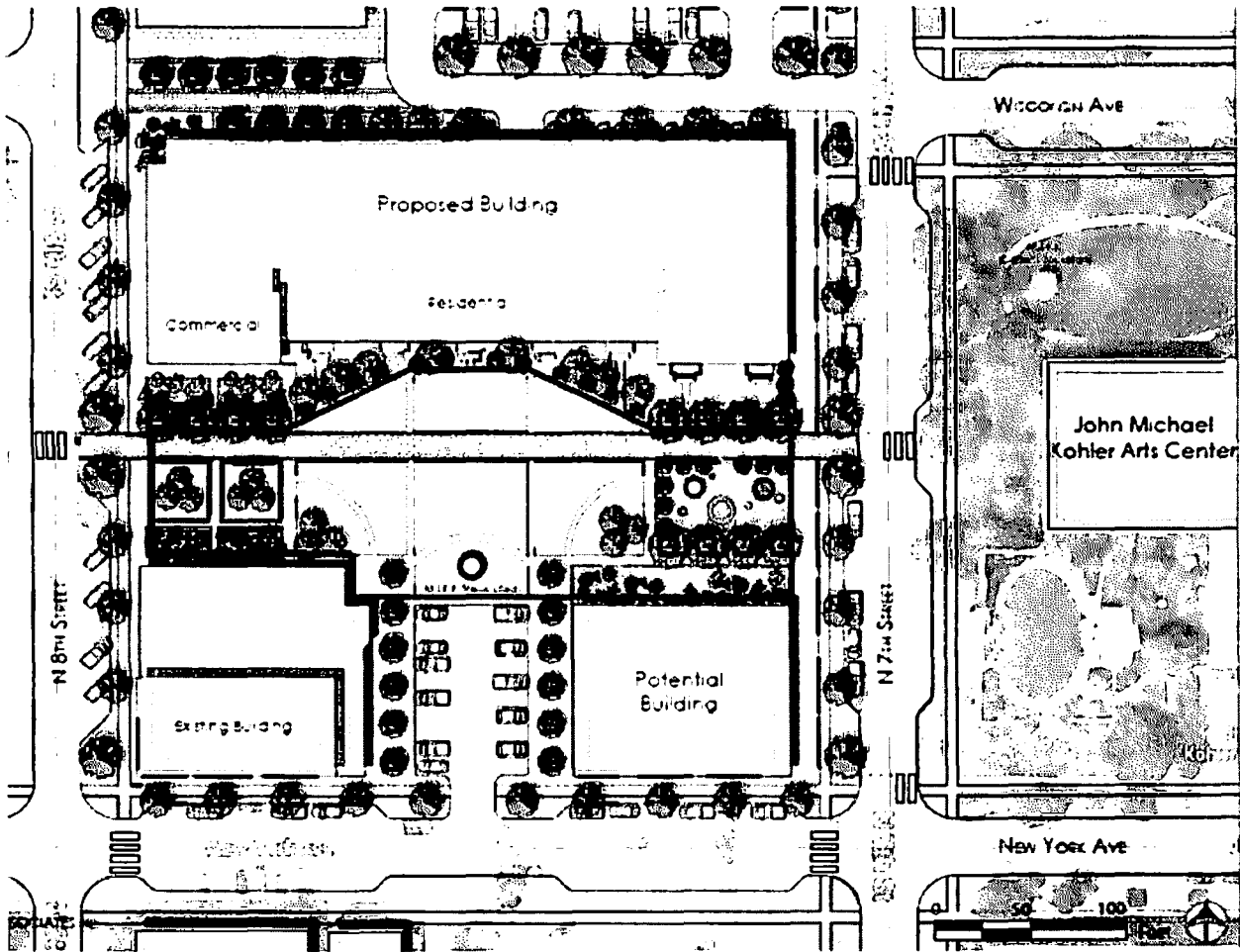


Exhibit F - 1

EXHIBIT "G"
Description of City Parcels

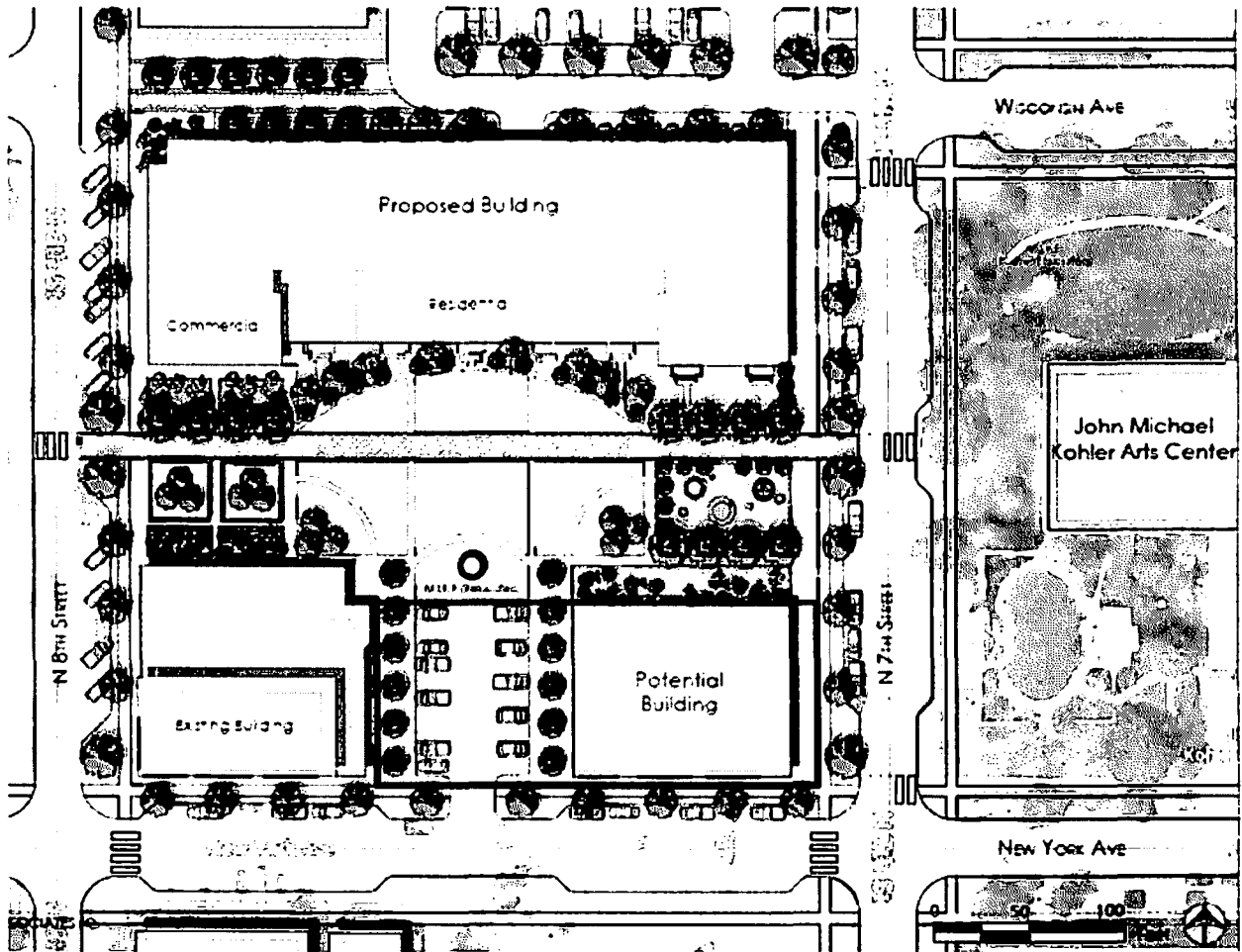


Exhibit G - 1

EXHIBIT "H"
Use Restrictions for City Parcels

1. Adult bookstore (which will include a store that sells or offers sexually explicit videos, DVDs, audiotapes, films, devices, apparel and the like), "peep show" store, or topless or strip club;
2. A so called "second hand" or surplus store, pawn shop, flea market, swap meet or junk yard;
3. Off track betting, gambling, gaming or check cashing facility;
4. Drug paraphernalia store or so called "head" shop;
5. Car wash, automobile repair work, automotive service, automobile body shop or gas station;
6. Automobile, boat, trailer, mobile home or truck leasing or sales;
7. Any manufacturing, assembling, distribution or warehouse use;
8. Animal raising or storage or veterinary hospital;
9. Gun range or the sale of fireworks;
10. Racetrack or other facility used for gambling;
11. Farming;
12. Drug testing facility;
13. Needle exchange or similar programs;
14. Blood bank;
15. Pool hall or billiard parlor;
16. Massage or tattoo parlor; or
17. Tobacco shop.

EXHIBIT "I"
Certificate of Completion

See Attached

Exhibit I - 1

**CERTIFICATE
OF COMPLETION**

Document Number

Document Title

**CERTIFICATE
OF COMPLETION**

Eighth Street Housing

Recording Area

Name and Return Address

Sarah O. Jelencic
Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, WI 53202

Parcel Identification Number (PIN)

Property Address	
Developer:	Eighth Street Housing Corporation
Memorandum of Development Agreement:	Memorandum of Contract for Sale of Land for Private Development Agreement dated as of _____, 2016, as amended or modified, recorded on _____, _____ in the Register of Deeds Office in Sheboygan County, Wisconsin as Document Number _____.
Legal Description:	See attached Exhibit "A"

THIS IS TO CERTIFY that the undersigned, on behalf of the City of Sheboygan, Wisconsin (the "City"), caused the inspection of the above-described real estate and physical improvements constructed thereon, and that construction of said physical improvements has been completed in accordance with construction plans submitted pursuant to the Contract for Sale of Land for Private Development Agreement dated as of _____, 2016, as amended or modified, which is evidenced by that certain Memorandum of Development Agreement recorded on _____, 2016, in the Register of Deeds Office in Sheboygan County, Wisconsin as Document Number _____ (the "Agreement").

Construction was deemed by the City to be timely completed.

Exhibit I - 2

THIS CERTIFICATE when signed shall constitute a conclusive determination of satisfaction and termination of the covenants in the Agreement with respect to the Developer's obligation to construct improvements on the above-described real estate and shall be conclusive as to the date of Completion of the Project (as defined in the Agreement).

Upon recording of this CERTIFICATE, the real estate described above shall specifically be "released" under the Agreement as to all of the restrictions and covenants against the real estate or Developer set forth therein that either only apply until the Completion of Project or expire upon the Completion of the Project.

Dated at Sheboygan, Wisconsin this _____ day of _____, 2016.

**CITY OF SHEBOYGAN,
WISCONSIN**

**EIGHTH STREET HOUSING
CORPORATION**

BY: _____
Michael J. Vandersteen,
Mayor

BY: _____
Michael Morey,
President

ATTEST:

Susan Richards
City Clerk

BY: _____
Michael C. Morey,
Vice President

STATE OF WISCONSIN)
)ss.
MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 201____, _____, Mayor, and _____, City Clerk, of the above-named City of Sheboygan, Wisconsin, to me known to be the persons who executed the foregoing instrument, and to me known to be such Mayor and City Clerk of said City of Sheboygan, Wisconsin, and acknowledged that they executed the foregoing instrument as such officers as the deed of said City of Sheboygan, Wisconsin by its authority.

(SEAL)

Notary Public, State of Wisconsin
My Commission is permanent.

STATE OF WISCONSIN)
)ss.
MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 201____, _____,
President, and _____, Vice President, of the above-named Eighth Street Housing
Corporation, to me known to be the persons who executed the foregoing instrument, and to me
known to be such President and Vice President, Investments of said Eighth Street Housing
Corporation, and acknowledged that they executed the foregoing instrument as such officers as
the deed of said Eighth Street Housing Corporation by its authority.

(SEAL)

Notary Public, State of Wisconsin
My Commission is permanent.

This document was drafted by Sarah O. Jelencic, Foley & Lardner LLP.

Exhibit A
Legal Description

III

Other Matters

9.2

R. O. No. 206 15 - 16. By CITY CLERK. November 16, 2015.

Submitting the Sheboygan County Apportionment sheets for 2015 levying of taxes.

Inance

City Clerk

200

III

SHEBOYGAN COUNTY RESOLUTION NO. 18 (2015/16)

Re: **Levying and Apportioning the Tax**

WHEREAS, each year, the County Board of Supervisors is required to determine the amount of taxes to be levied in Sheboygan County against all taxable property for the year, and

WHEREAS, this year there are five (5) components of the tax amount that must be included, and

WHEREAS, the first component is the Forestation State Tax, set by the State of Wisconsin to support the state forest system pursuant to Wis. Stat. §§ 70.58 and 70.60 charged against all taxable properties in Sheboygan County in the amount of \$1,467,123.00 (Equalized Rate: .000169706), and

WHEREAS, the second component is the State Special Charge pursuant to Wis. Stat. §§ 51.20(18) and 70.60 to reimburse other counties for expenses related to mental commitments of Sheboygan County residents in their counties charged against all taxable properties in Sheboygan County in the amount of \$1,167.22 (Equalized Rate: -.000000139), and

WHEREAS, the third component is the County Aid to Bridges required by Wis. Stat. § 82.08 and approved by the County Board by Resolution No. 10 (2015/16) charged against all taxable property in the townships in Sheboygan County in the amount of \$3,100.00 (Equalized Rate – Town only – .000000905), and

WHEREAS, the fourth component is the Sheboygan County portion of the Eastern Shores Library System approved for the budget and an apportionment adjustment for the Eastern Shores Library System and required by Wis. Stat. § 43.64 to be charged against all taxable property in all townships except the Towns of Scott and Sherman and all villages except the Villages of Adell, Cedar Grove, Elkhart Lake, Kohler, Oostburg, and Random Lake in the amount of \$1,220,465.00 (Equalized Rate: .000352099, applied to non-excluded Towns and Villages only), and

WHEREAS, the fifth and largest component is the general County property tax pursuant to Wis. Stat. § 70.62 to finance the County government budget, and

WHEREAS, the Sheboygan County Board, after public hearing, study, and revision has finalized and adopted the 2016 budget on this 3rd day of November, 2015, which requires a levy of \$47,136,072.00 against all taxable property in the County of Sheboygan (Equalized Rate: .005624465);

NOW, THEREFORE, BE IT RESOLVED, that there be and hereby is levied on all taxable property in the County of Sheboygan the following taxes:

Forestation State Tax		
Wis. Stat. § 70.58, (Equalized Rate: .000169706)		\$ 1,467,123.00
State Special Charges		
Wis. Stat. § 51.20(18) (Equalized Rate: .000000139)		\$ 1,167.22
General County Taxes		\$47,136,072.00
Wis. Stat. § 70.62, (Equalized County Rate: .005624465)		

STATE OF WISCONSIN) I, Jon Dolson do hereby
COUNTY OF SHEBOYGAN) certify that the above is a
true and correct copy of the original on file in the office of the
County Clerk and that it was adopted by the County Board of
Supervisors on this date.

Date: 11-3-2015
(Seal)


County Clerk

53 **BE IT FURTHER RESOLVED** that the sum of \$1,220,465.00, which is the amount approved
54 for the budget of the Eastern Shores Library System, pursuant to Wis. Stat. § 43.64, be and hereby
55 is levied against all taxable property in the townships, excluding the Towns of Scott and Sherman,
56 and all villages, excluding the Villages of Adell, Cedar Grove, Elkhart Lake, Kohler, Oostburg, and
57 Random Lake.

58
59 (Equalized Rate: .000352099)
60

61 **BE IT FURTHER RESOLVED** that the sum of \$3,100.00 County Aid to Bridges as approved by
62 Resolution No. 10 (2015/16) be and hereby is levied against all taxable property in the townships in
63 Sheboygan County.

64
65 (Equalized Rate: .000000905)
66

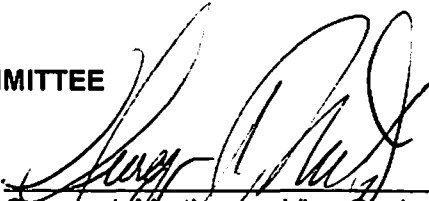
67 **BE IT FURTHER RESOLVED** that the County Clerk and the County Finance Director shall,
68 pursuant to Wis. Stat. § 70.63 determine and apportion within ten (10) days of this date, the tax levy
69 set forth for the respective municipalities, according and in proportion to the valuations for the towns,
70 villages, and cities as submitted by the Wisconsin Department of Revenue.

71
72
73 Respectfully submitted this 3rd day of November, 2015.
74

75
76 **FINANCE COMMITTEE**

77
78
79 
80 _____
81 Gregory Weggeman, Chairperson

82
83 
84 _____
85 Thomas Wegner, Secretary

86
87
88 
89 _____
90 George J. Marthenze, Vice-Chairperson

91
92 
93 _____
94 Al Bosman

95
96 

Opposed to Introduction:

1	A. STATE TAXES (Apportioned TID IN)		1
2	Aggregate amount of state tax (use this amount to calculate state tax rate)	408,572.58	2
3	B. COUNTY TAXES (Apportioned TID OUT)		3
4	1. Portion of state special charges on county:		4
5	Charitable and penal	319.98	5
6	Other state special charges	0.00	6
7			7
8	SUBTOTAL - Section B1 (also enter on Line B1 on Statement of Taxes (SOT))	319.98	8
9	2. Other county taxes levied over entire town, village, or city		9
10	Health	0.00	10
11	Library (sec. 43.12, Wis. Stats.)	0.00	11
12	County Bridge Aid (sec. 82.08(2), Wis. Stats.)	0.00	12
13	Sanitation	0.00	13
14	Children with Disabilities Education Boards (over entire town, village or city) (sec.121.135, Wis. Stats.)	0.00	14
15	Property taxes charged back (sec. 74.41 & 74.42, Wis. Stats.)	0.00	15
16	Countywide EMS	0.00	16
17	Other (describe) :	0.00	17
18	All other county taxes (levied over every town, village, and city)	12,921,063.86	18
19	County Sales Tax Credit	< 0.00 >	19
20	SUBTOTAL - Section B-2 Taxes to be levied over entire municipality (enter on Line B2 on SOT)	12,921,063.86	20
21	3. County taxes levied over part of town, village or city (also enter on line B3 on SOT)		21
22	Children with Disabilities Education Boards	0.00	22
23		0.00	23
24		0.00	24
25		0.00	25
26		0.00	26
27	TOTAL NET COUNTY TAXES (sum of Lines 8, 20, 22, 23, 24, 25 and 26) (for county tax rate)	12,921,383.84	27
28	C. SPECIAL DISTRICT TAXES		28
29	Special district code: NA	Amount levied 0.00	29
30	Special district code: NA	Amount levied 0.00	30
31	D. TOWN, VILLAGE OR CITY TAXES		31
32	4. Other state special charges		32
33	Describe :	0.00	33
34	Describe :	0.00	34
35	SUBTOTAL - Section D4 (also enter on Line D4 on SOT)	0.00	35
36	5. County special charges:		36
37	Illegal real estate charged back (sec. 70.74(2), Wis. Stats.)	0.00	37
38	Highways and bridges (sec. 83.03, Wis. Stats.)	0.00	38
39	Highway aid (sec. 83.14, Wis. Stats.)	0.00	39
40		0.00	40
41		0.00	41
42		0.00	42
43		0.00	43
44	SUBTOTAL - Section D5 (also enter on Line D5 on SOT)	0.00	44
45	TOTAL - ALL TAXES AND CHARGES - sum of Lines 2, 27, 29, 30, 35 and 44	13,320,956.42	45

Attention Clerks:

Attached are the apportionment sheets for 2015. Please make sure you do not round any of the numbers listed. You must collect exactly the amounts on the form.