

**DEVELOPMENT AGREEMENT
COMMUNITY DEVELOPMENT INVESTMENT GRANT – SCHUETTE BUILDING**

THIS AGREEMENT (hereinafter called the “Agreement”) made as of the ___ day of February, 2017, by and between the **City of Manitowoc** (hereinafter called the “City”) and **Doneff’s Schuette Building, LLC**, a Wisconsin limited liability company (hereinafter called the “Developer”). The City and Developer may collectively be referred to as the “Parties.”

WITNESSETH:

WHEREAS, the City has ~~submitted~~received a Wisconsin Economic Development Corporation (WEDC) Community Development Investment (Implementation) grant ~~application~~award (Exhibit “A”) on behalf of Developer for the property (hereinafter the “Property”) legally described on the attached Exhibit “B” (tax parcel number 052-000-230-120.00) generally located at 804 Jay Street and 914 S 8th Street; and

WHEREAS, the City and Developer desire to see the Property developed as a mixed-use, historic renovation that generates tax base for the community and catalyzes economic activity in the downtown; and

WHEREAS, the City desires to have the Developer complete exterior façade and interior renovations that are architecturally sensitive to this historic building and to make necessary mechanical upgrades to the building; and

WHEREAS, it is anticipated that the project will result in a variety of retail, restaurant, office, and residential uses with an approximate total construction cost of \$~~4.55~~4 million based on the Concept Plan (Exhibit “C”).

NOW, THEREFORE, in consideration of the promises and obligations herein set forth, it is mutually agreed between the Parties as follows:

- I. Proposed Project Scope and Developer Obligations. Developer shall complete historically sensitive exterior façade repairs including replacement of the existing curtainwall system, replacement or repair of windows, painting and replacement and repairs to the clay tiles on the parapet wall at the top of the building. Developer shall complete renovations to the first ~~and second~~ floor as “whitebox” tenant spaces, ready to be rented out to prospective tenants, and to the second and third floors as residential apartments. This scope of work is referred to hereinafter as the “Project,” which has an estimated cost of \$~~4.55~~4 million and an estimated assessed value of **\$1.6 million** upon completion. Developer shall also comply with the following requirements for this Project:
 - A. Developer shall secure the services of one or more appropriate contractor(s) and expend all funds necessary to complete the Project.
 - B. Developer shall commence construction upon approval of all necessary funding, ~~which is anticipated to be September 1, 2015,~~ and no later than ~~December 31, 2015~~ May 1, 2017, with Developer taking such action as necessary and required to receive all municipal approvals for the Project from the City and/or any other governmental entities, and satisfaction of all conditions required therein.

- C. Developer shall complete the Project (which shall be deemed achieved by the delivery of a certificate of completion by City Building Inspection staff) no later than ~~December 31, 2016~~June 30, 2018.
- D. The City will cooperate with respect to the timely issuance of all approvable permits necessary for completion of the Project. All Parties agree to use reasonable efforts to obtain performance on the conditions of this Agreement.
- E. The Developer shall comply with all applicable Federal, State, and Municipal codes throughout the Project, including submitting necessary plans and obtaining applicable permits.
- F. This Agreement will be considered satisfied and complete when both the scope of work is complete as deemed with a certificate of completion from the City, and the WEDC grant is closed out as deemed with final reimbursement and written confirmation by WEDC.
- G. The time for performance of any term, covenant, or condition of this Agreement shall be extended by any period of unavoidable delays. In this Agreement, "unavoidable delays" mean circumstances that preclude the party from performance and that are beyond the reasonable control of the party obligated to perform the applicable term, covenant, or condition under this Agreement and shall include, without limiting the generality of the foregoing, delays attributable to adverse environmental conditions (such as contaminated soil or groundwater), adverse weather conditions, acts of God, any other party in this Agreement, strikes, labor disputes, governmental restrictions, court injunctions, riot, civil commotion, acts of public enemy and casualty or delay in obtaining any necessary permit from any governmental agency.

II. WEDC Grant Requirements.

- A. The force and effect of this Agreement are contingent upon the award of a ~~\$500,000~~\$250,000 WEDC Community Development Investment grant and final approval of all other sources of funding identified in the grant application.
- B. This Agreement establishes a cooperative relationship between the City and the Developer toward the successful completion of the scope of work in this Project. This relationship is further defined by the following:
 - 1. Developer will maintain a long-term commitment to the Property by, among other efforts, marketing the site to prospective tenants and maintaining the renovated Property. Developer will provide proof of marketing to the City on a monthly basis.
 - 2. City will maintain a long-term commitment to Property by cooperating in the timely issuance of approvable building permits, collaborating with Developer on efforts to market the property, and utilizing appropriate planning and economic development tools to assist with the continued revitalization of the area.
- C. City and Developer shall cooperate with WEDC monitoring efforts including keeping of detailed records documenting long-term job creation related to the Property.
- D. City will play a substantive role in the Project and will actively monitor Developer's activities to ensure compliance with WEDC program requirements.

- E. Developer represents and warrants that all WEDC funds shall be used to fund the Project. Developer shall provide detailed records documenting the appropriate expenditure of grant funds.

III. Financing.

- A. Developer may be subject to credit check and shall provide satisfactory proof of financing to the City of a minimum of ~~\$4.55.4~~ million. Satisfactory proof of financing may include, but is not limited to, personal financial statements, completed tax credit applications, and private loan commitments.
- B. City shall request a WEDC Community Development Investment grant of ~~\$500,000~~250,000. If the WEDC grant is awarded, the City will loan Developer up to \$250,000 in Downtown-Commercial Revolving Loan Funds (RLF), contingent upon meeting program requirements and receiving all required approvals. The terms and conditions of the RLF loan are to be established under a separate agreement, but generally include requirements for job creation and reporting, minimum developer equity contribution, leveraging of other private funds, an interest rate of 4%, a maximum repayment term of 15 years, Community Development Authority approval of the loan, loan guarantees or other sufficient collateral, and compliance with applicable state and federal labor requirements. A letter of support including a conditional commitment of RLF funds is attached as Exhibit D.
- C. City will reimburse Developer upon approval by the Community Development Director of appropriate documentation (paid invoice and a cancelled check) of work completed and payment for services. The order of funds spent by the Developer and schedule of reimbursements by the City shall comply with the requirements of City and WEDC as applicable.
- D. Developer shall pay all costs necessary to complete the Project. Developer's cash contribution to Project costs shall be no less than 10% of the Project cost.

IV. Rights of Access

- A. The Developer shall permit representatives of the City, after giving reasonable notice to the Developer, to have reasonable access to the Property at all reasonable times for the purposes of this Agreement, including, but not limited to, inspection of all work being performed in connection with the Project.

V. Other Rights and Remedies.

- A. **Termination and Remedies.** Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, such party shall, upon written notice from any other party, proceed promptly to ensure or remedy such default or breach, and, in any event, within 60 days after receipt of such notice unless such default or breach cannot, with reasonable diligence, be cured within such period in which case said defaulting party shall commence such cure within such period and diligently proceed to cure such default. 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 to compel specific performance by the party in default or breach of its obligation.

Completion of the Project in accordance with the terms and conditions of this Agreement is the essential and unique consideration for the obligations of the Parties; accordingly, the Parties shall, in the event of legal proceedings, seek remedies to compel the specific performance of the defaulting party as the only adequate remedy and shall not seek damages in lieu of specific performance unless specific performance is legally unavailable, in which event the Parties may seek damages as authorized. Repayment of funds loaned or granted, including any interest due, under the terms of the respective contracts may also be considered as a remedy in the case of failure to complete the project.

- B. The Parties shall have the right to institute such actions or proceedings as they may deem desirable for effectuating the purpose of this Agreement; provided that any delay in instituting or prosecuting any such actions or proceedings or otherwise asserting such rights, shall not operate as a waiver of such rights to, or deprive it of or limit such rights in any way (it being the intent of this provision that a party should not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of any remedy 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 involved); nor shall any waiver in fact made with respect to any specific default, be considered or treated as a waiver of any rights with respect to other defaults or with respect to the particular default except to the extent specifically waived in writing.
- C. Except as expressly provided otherwise in this Agreement, 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 any party of any one or more such remedies shall not preclude the exercise of it, at the same different times, of any other such remedies for any other default or breach by any other party. No waiver made by any such party with respect to the performance or manner of time thereof, of any obligation of any other party or any condition of its own obligation under this Agreement shall be considered a waiver of any rights of the party making waiver with respect to the particular 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 of any other obligations.
- D. No official or employee of the City shall have any personal interest in this Agreement, nor shall any such person voluntarily acquire any ownership interest, direct or indirect, in the legal entities which are Parties to this Agreement. No 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 becomes due to the Developer or its successors under this Agreement.
- E. **Insurance.** Prior to commencing construction under this Agreement, the Developer shall obtain and keep in full force and effect during construction of the improvements, an all-risk builder's risk insurance policy for the Property on which construction is occurring with coverage equal to the total amount of the Developer's construction contract or contracts for all improvements being constructed. Such builder's risk insurance policy shall name the City as an additional insured, subordinate in its rights to such proceeds to the Developer's mortgagee. However, in such a case, Developer is not relieved of its obligation to perform under this Agreement. The Developer shall also obtain and keep in

full force and effect during construction of its improvements, for the benefit of the City, an owner's comprehensive protective liability insurance policy with personal injury coverage of at least \$3,000,000.00, and property damage coverage of at least \$2,000,000.00. Such policies of insurance shall be written by insurance companies authorized to do business in the state of Wisconsin. The City shall be named as additional insured on these certificates of insurance. Prior to commencement of construction, the Developer shall file with the City a certificate of insurance setting forth that all coverage herein is in full force and effect and providing the City will be given 10 days written notice prior to termination or cancellation of such coverage.

- F. **Applicable Law, Severability, and Entire Agreement.** This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin governing agreements made and fully performed in Wisconsin. If any provision of this Agreement, or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, then (unless in the judgment of the party or Parties thereby adversely affected such provision was a material part of the consideration for their entering into this Agreement, that without it they would not have entered into this Agreement) the remainder of this Agreement or the application of such provision, or portion thereof, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. This Agreement sets forth the entire understanding among the Parties with respect to its subject matter, there being no terms, conditions, warranties or representatives with respect to its subject matter other than that contained herein. This Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors and assigns. The parties agree any litigation relating to this agreement shall be in Manitowoc County Circuit Court, Manitowoc, Wisconsin.
- G. **Amendments to Agreement.** This Agreement may not be changed orally, but only by agreement in writing and signed by the Parties.
- H. **Third Parties.** Except as expressly provided otherwise in this Agreement, the provisions of this Agreement are for the exclusive benefit of the Parties and not for the benefit of any other persons, as third party beneficiaries or otherwise, and this Agreement shall not be deemed to have conferred any rights, expressed or implied, upon any other person.
- I. **No Partnership Created.** This Agreement specifically does not create any partnership or joint venture between the Parties, or render any party liable for any of the debts or obligations of any other party.
- J. **Formalities and Authority.** The Parties represent and warrant that they are validly existing and lawful entities with the power and authorization to execute and perform this Agreement. The headings set forth in this Agreement are for convenience and reference only, and in no way define or limit the scope of content of this Agreement or in any way affect its provisions.
- K. **Notices and Demands.** A notice, demand or other communications under this Agreement shall be sufficiently given or delivered if it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested or delivered personally:

To DEVELOPER: Doneff's Schuette Building, LLC
Attention: Anton Doneff
5160 Expo Drive
Manitowoc, WI 54220

To CITY: City of Manitowoc
Attention: City Clerk
900 Quay Street
Manitowoc, WI 54220

or to such other address, within the United States, with respect to a party as that party may from time to time designate in writing and forward to the other as provided in this Section. A copy of any notice, demand or other communication under this Agreement given by a party under this Agreement to any other party under this Section shall be given to each other party to this Agreement.

- L. **Nonmerger and Survival.** Any provision in this Agreement which has not been fully performed prior to transfer of possession shall not be deemed to have terminated, but shall, unless expressly waived in writing, survive such transfer of possession and be in force and effect until performed.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the PARTIES have caused this Agreement to be executed the date first above written.

Attest:

City of Manitowoc

Justin M. Nickels, Mayor

Jennifer Hudon, Clerk

| Add notary section

Attest:

Doneff's Schuette Building, LLC

Anton Doneff Sr, President

Michelle Doneff, witness

| Add notary section

**COMMUNITY DEVELOPMENT INVESTMENT GRANT AGREEMENT
BETWEEN
THE WISCONSIN ECONOMIC DEVELOPMENT CORPORATION
AND
CITY OF MANITOWOC**

This Agreement is entered into pursuant to Chapter 238 of the Wisconsin Statutes between the Wisconsin Economic Development Corporation ("WEDC") and the City of Manitowoc (the "Recipient").

WITNESSETH

WHEREAS, the Recipient has submitted an Application to WEDC, requesting funds from WEDC's Community Development Investment Grant program ("CDI Funds");

WHEREAS, the Recipient is a City located in Wisconsin.

WHEREAS, WEDC has determined that the Recipient is an eligible recipient of CDI Funds; and

WHEREAS, in reliance upon the Recipient's Application, WEDC has approved the Recipient for up to Two Hundred Fifty Thousand and no/100ths Dollars (\$250,000.00) in CDI Funds.

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, and in consideration for the promises and covenants in this Agreement, WEDC and the Recipient agree as follows:

1. **Definitions.** For purposes of this Agreement, the following terms shall have the following meanings:

(a) "Agreement" means this agreement, to include all documents required to be delivered contemporaneously with the execution and delivery of this Agreement, and the attached Exhibits, together with any future amendments executed in compliance with Paragraph 21 of this Agreement.

(b) "Application" means the materials submitted by the Recipient to WEDC relating to this allocation of CDI Funds.

(c) "Approval Date" means the date on which the Recipient may start attributing Eligible Project Costs to the CDI Funds and Matching Funds; specifically, June 29, 2016.

(d) "CDI Funds" means the grant monies the Recipient is eligible to receive from WEDC's Community Development Investment Grant program in accordance with this Agreement.

Exhibit A

(e) "Effective Date" means the date on which this Agreement is fully executed by both parties.

(f) "Eligible Project Costs" means costs for which CDI Funds and Matching Funds may be used, as outlined in Paragraph 3(b) of this Agreement, which the Recipient incurs between the Approval Date and August 31, 2017.

(g) "Ineligible Costs" means costs for which CDI Funds and Matching Funds may not be used, including costs incurred prior to the Approval Date; in-kind contributions; grant application preparation; professional fees, such as architecture, accounting, or legal fees; financing fees or debt; permits, performance and payment bonds; contingencies; acquisition costs; insurance premiums; fees related to compliance with this Agreement; supplies or purchase of moveable equipment; signage or advertising; or developer fees.

(h) "Matching Funds" means non-WEDC funds secured by the Recipient to meet the required 3:1 funding requirement of the CDI Funds under this Agreement. No more than thirty percent (30%) of the Matching Funds may consist of other state and/or federal grants.

(i) "Project" means the Recipient's redevelopment of the historic Schuette building in downtown Manitowoc, in accordance with the Recipient's Application and the terms of this Agreement.

(j) "Project Location" means the site or sites at which the Project will take place, specifically 804 Jay Street, Manitowoc, WI. 54220.

2. CDI Funds. Subject to the terms and conditions set forth in this Agreement, and in Wisconsin law, WEDC shall provide to the Recipient a grant of up to Two Hundred Fifty Thousand and no/100ths Dollars (\$250,000.00) in CDI Funds.

3. Recipient's Obligations. The Recipient will:

(a) Complete the Project as contemplated by the Application and in accordance with the terms of this Agreement.

(b) Use the CDI Funds and Matching Funds for Eligible Project Costs between the Approval Date and August 31, 2017, as outlined in the following budget:

Budget Code	Eligible Project Costs*	SOURCES				TOTAL
		WEDC CDI FUNDS	Developer Equity – Doneff's Schuette Bldg, LLC	HTCs	Bank Loan: Investor Community	
385	Building Renovations	\$250,000	\$312,254	\$1,600,000	\$3,226,856	\$5,389,110
	Eligible Project Costs Subtotal	\$250,000	\$312,254	\$1,600,000	\$3,226,856	\$5,389,100

Exhibit A

*Costs eligible for grant and matching funds. Match must equal \$750,000.00 in order for Recipient to obtain the maximum amount of the grant, and must be documented at a 3:1 rate with requests for disbursement. Costs ineligible for grant or matching funds should be reported as leverage on performance reports.

(c) Secure Matching Funds from non-WEDC sources equal to at least \$750,000.00, to achieve the 3:1 funding requirement of the CDI Funds under this Agreement.

(d) Provide signage, according to WEDC's specifications at the Project Location indicating WEDC financial participation in the Project.

(e) Provide acknowledgement, according to WEDC's specifications, of WEDC's participation in the Project in any and all planning and feasibility documents related to the Project.

(f) Provide reports to WEDC as further described in Paragraph 5 of this Agreement, in such form as required by WEDC, a sample of which is attached to this Agreement as Exhibit B.

4. Release of Funds. WEDC will release the CDI Funds contemplated by this Agreement to the Recipient on a disbursement basis. The Recipient may request the CDI Funds in one or more disbursements and will be contingent on the following:

(a) The Recipient submitting to WEDC a request for disbursement of funds in such form as required by WEDC, a sample of which is attached to this Agreement as Exhibit A.

(b) The Recipient submitting to WEDC a report detailing the dollar amount and purpose of the Eligible Project Costs included in the request for disbursement as well as the dollar amount and purpose of each eligible expenditure that the Recipient has contributed to the Project since the date of the previous disbursement of CDI Funds.

(c) The Recipient submitting to WEDC documentation of the Eligible Project Costs incurred against the CDI Funds, and the Recipient submitting to WEDC documentation of the Eligible Project Costs incurred against the Matching Funds, in an amount that is 3:1 of the CDI Funds being requested. Such documentation may include, but not be limited to, purchase orders or invoices.

(d) The Recipient must request all CDI Funds no later than October 31, 2017.

5. Reporting. The Recipient shall provide reports to WEDC subject to the following requirements:

(a) Semi-Annual performance reports in such form as required by WEDC, a sample of which is attached to this Agreement as Exhibit B, which shall include a financial overview and narrative summary on the progress of the Project to date, as well as the following metrics, specific to the Project:

- (i) Job creation;
- (ii) Job retention;
- (iii) Leveraged investment; and
- (iv) Increase in tax base as demonstrated by changes in assessments.

Exhibit A

(b) Schedule of Reporting:

PERIOD COVERED	DOCUMENTATION	DUE DATE
See Paragraph 6 Below	Schedule of Expenditures	See Paragraph 6 Below
June 29 – December 31, 2016	Semi-Annual Performance Report	January 31, 2017
January 1 – August 31, 2017	Semi-Annual Performance Report	September 30, 2017

6. Schedule of Expenditures. Consistent with Wis. Stat. § 238.03(3)(a), the Recipient must submit to WEDC, within 120 days after the end of the Recipient’s fiscal year in which any grant or loan funds were expended, a schedule of expenditures of the grant or loan funds, including expenditures of any matching cash or in-kind match, signed by the director or principal officer of the recipient to attest to the accuracy of the schedule of expenditures. The Recipient shall engage an independent certified public accountant to perform procedures, approved by WEDC and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to determine whether the grant or loan funds and any matching cash or in-kind match were expended in accordance with the grant or loan contract. The Recipient must make available for inspection the documents supporting the schedule of expenditures.

7. Event of Default. The occurrence of any one or more of the following events shall constitute an Event of Default for the purposes of this Agreement:

(a) The Recipient ceases operation or relocates operations outside of Wisconsin within five (5) years of the Effective Date of this Agreement.

(b) The Recipient supplies false or misleading information to WEDC in connection with this Agreement.

(c) The Recipient fails to comply with or perform, in any material respect, any of its obligations under this Agreement.

8. Remedies in Event of Default.

(a) Upon the occurrence of an Event of Default, WEDC shall send a written notice of default to the Recipient, setting forth with reasonable specificity the nature of the default. If the Recipient fails to cure any such Event of Default to the reasonable satisfaction of WEDC within thirty (30) calendar days, WEDC may, without further written notice to the Recipient, declare the Recipient in default. In the Event of Default, WEDC may terminate the Agreement and recover from the Recipient:

(i) One hundred percent (100%) of the total amount of CDI Funds disbursed under this Agreement;

(ii) A financial penalty of up to one percent (1%) of the CDI Funds; and

(iii) All court costs and reasonable attorney’s fees incurred by WEDC in terminating the Agreement and recovering the amounts owed by the Recipient under this provision.

Exhibit A

(b) These amounts shall be paid to WEDC within thirty (30) calendar days of demand by WEDC hereunder. If the Recipient fails to pay these amounts to WEDC, the Recipient will be liable for the full unpaid balance plus interest at the annual rate of twelve percent (12%) from the date of the notice of Event of Default.

(c) The thirty (30) day cure period set forth in (a) above may be extended by WEDC, provided that the Recipient begins to cure such matter and thereafter diligently pursues a cure.

9. Recipient's Warranties and Representations. In addition to the other provisions of this Agreement, the Recipient hereby warrants and represents to the best of its knowledge that as of the date of this Agreement:

(a) The Recipient is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it, the violation of which would have a material, adverse effect on the Recipient's ability to perform its obligations under this Agreement.

(b) The undersigned officer of the Recipient is fully authorized to execute and deliver this Agreement on behalf of the Recipient.

(c) In making these warranties and representations, the Recipient has not relied on any information furnished by WEDC.

(d) The Recipient's warranties and representations herein are true and accurate as of the Effective Date of this Agreement, and shall survive the execution thereof.

10. Wisconsin Public Records Law and Confidential Documents. The Recipient understands that this Agreement and other materials submitted to WEDC may constitute public records subject to disclosure under Wisconsin's Public Records Law, §§ 19.31-39.

11. Additional Requirements.

(a) **Project Records.** The Recipient shall prepare, keep and maintain such records as may be reasonably required by WEDC to validate the Recipient's performance under this Agreement and the performance reports provided to WEDC.

(b) **Inspection.**

(i) WEDC and its respective agents, shall, upon 48 hours advance written notice to the Recipient, have the right to enter the Recipient's premises, during normal business hours, to inspect the Recipient's operations documentation relating to this Agreement, provided, however, that such access does not unreasonably disrupt the normal operations of the Recipient.

(ii) The Recipient shall produce for WEDC's inspection, examination, auditing and copying, upon reasonable advance notice, any and all records which relate to this Agreement.

(iii) WEDC reserves the right to conduct a physical site visit of the Project during the term of this Agreement.

Exhibit A

(c) **Nondiscrimination in Employment.** Consistent with Wis. Stat. § 16.765: In connection with the performance of work under this contract, Recipient agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in § 51.01(5), sexual orientation or national origin. This provision 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. Except with respect to sexual orientation, Recipient further agrees to take affirmative action to ensure equal employment opportunities. Recipient agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.

(d) **Consolidation or Merger.** During the term of this Agreement, the Recipient shall provide written notice to WEDC of any consolidation or merger with or into any other unrelated corporation or business entity.

(e) **Public Announcement.** The Recipient agrees to work with WEDC in making a public announcement of this Agreement.

12. Conflicts. In the event of any conflict between the provisions of this Agreement and any accompanying documents, the terms of this Agreement control.

13. Choice of Law. THIS AGREEMENT AND ALL MATTERS RELATING TO IT OR ARISING FROM IT – WHETHER SOUNDING IN CONTRACT LAW OR OTHERWISE – SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED PURSUANT TO, THE LAWS OF THE STATE OF WISCONSIN.

14. Venue, Jurisdiction. Any judicial action relating to the construction, interpretation, or enforcement of this Agreement, or the recovery of any principal, accrued interest, court costs, attorney's fees and other amounts owed hereunder, shall be brought and venued in the U.S. District Court for the Western District of Wisconsin or the Dane County Circuit Court in Madison, Wisconsin. EACH PARTY HEREBY CONSENTS AND AGREES TO JURISDICTION IN THOSE WISCONSIN COURTS, AND WAIVES ANY DEFENSES OR OBJECTIONS THAT IT MAY HAVE ON PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS.

15. Waiver of Right to Jury Trial. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY JUDICIAL ACTION OR PROCEEDING THAT MAY ARISE BY AND BETWEEN WEDC AND THE RECIPIENT CONCERNING OR RELATING TO THE CONSTRUCTION, INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT, OR THE RECOVERY OF ANY PRINCIPAL, ACCRUED INTEREST, COURT COSTS, ATTORNEY'S FEES AND OTHER AMOUNTS THAT MAY BE OWED BY THE RECIPIENT HEREUNDER.

16. LIMITATION OF LIABILITY. RECIPIENT HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER FROM WEDC ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR DAMAGES OF ANY OTHER NATURE OTHER THAN ACTUAL DAMAGES INCURRED OR SUFFERED BY RECIPIENT.

Exhibit A

- 17. Severability.** The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions, which shall remain in full force and effect to govern the parties' relationship.
- 18. WEDC Not a Joint Venturer or Partner.** WEDC shall not, under any circumstances, be considered or represented to be a partner or joint venturer of the Recipient or any beneficiary thereof.
- 19. Captions.** The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.
- 20. No Waiver.** No failure or delay on the part of WEDC in exercising any power or right under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such power or right preclude any other exercise of any other power or right.
- 21. Entire Agreement.** This Agreement embodies the entire agreement of the parties concerning WEDC's and the Recipient's obligations related to the subject of this Agreement. This Agreement may not be amended, modified or altered except in writing signed by the Recipient and WEDC. This Agreement supersedes all prior agreements and understandings between the parties related to the subject matter of this agreement.

Exhibit A

IN WITNESS WHEREOF, WEDC and the Recipient have executed and delivered this Agreement effective the date set forth next to WEDC's signature below.

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

By: Mark R. Hogan 7/25/16
Mark R. Hogan Date
Secretary & CEO

CITY OF MANITOWOC

By: Justin M. Nickels 7/25/16
Justin M. Nickels, Date
Mayor

By: Jennifer Hudon 7/25/16
Jennifer Hudon, City Clerk Date

Notices to the Recipient hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed to the following person and address or such other person and address as the Recipient may designate in writing:

City of Manitowoc
900 Quay Street
Manitowoc, WI 54220
Attn: ~~Justin M. Nickels~~
Jennifer Hudon
City Clerk

Notices to WEDC hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed as follows:

Wisconsin Economic Development Corporation
Division of Credit & Risk
P.O. Box 1687
Madison, WI 53701
Attn: Community Development Investment
Contract # CDI FY16-23347

Exhibit B
Legal Description

A tract of land situated in the City of Manitowoc, County of Manitowoc, State of Wisconsin, described as follows:

The East One-half (E½) of Lot Numbered Three (3); All of Lot Numbered Ten (10); and All of Lots Numbered Eleven (11) and Twelve (12), excepting therefrom a parcel described in Warranty Deed recorded in Volume 1469 of Records, Page 142, as Document Number 868046.

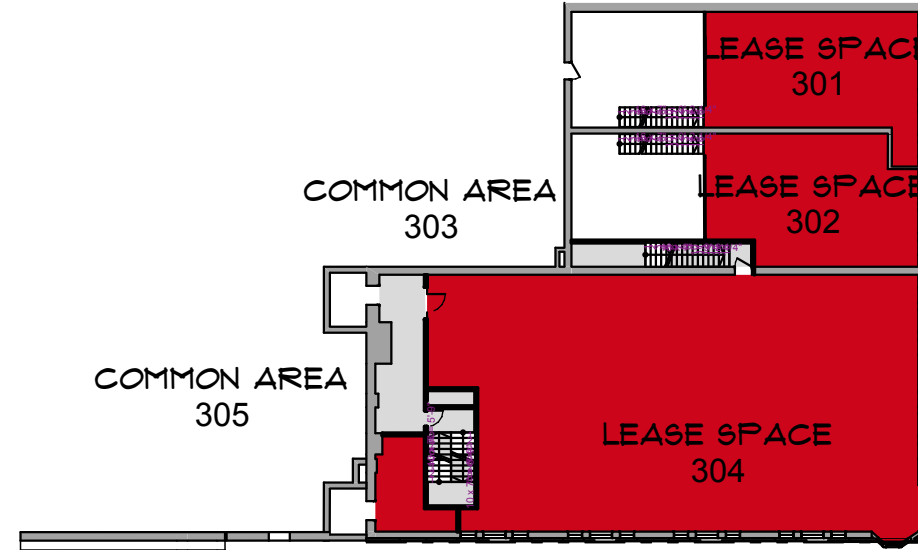
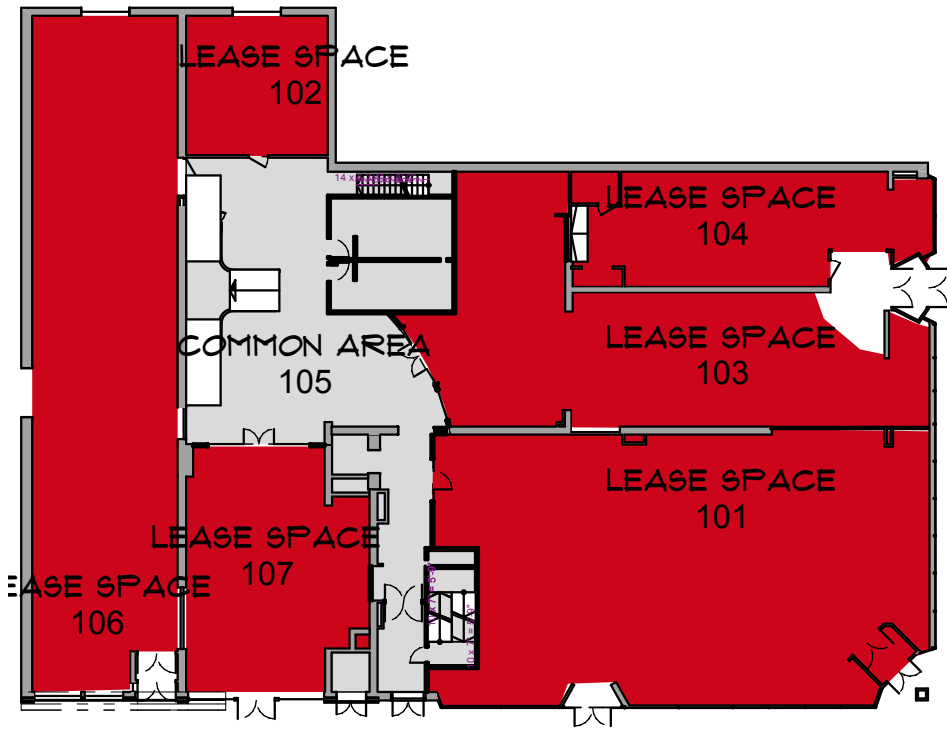
All in Block Numbered Two Hundred Thirty (230) of the Original Plat in the City of Manitowoc, Manitowoc County, Wisconsin, according to the Recorded Plat thereof.

Subject to highways, easements and rights-of-way of record.

Tax Parcel Number 052-000-230-120.00

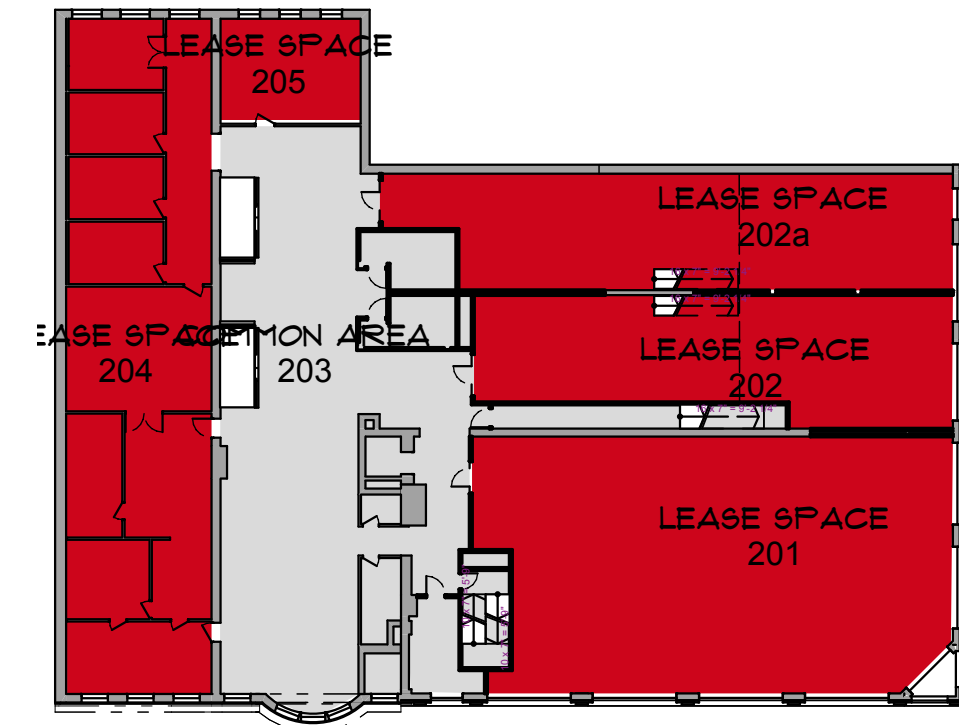
This property is located at 804 Jay Street and 914 South 8th Street, Manitowoc, WI 54220.

Exhibit C
Concept Plan

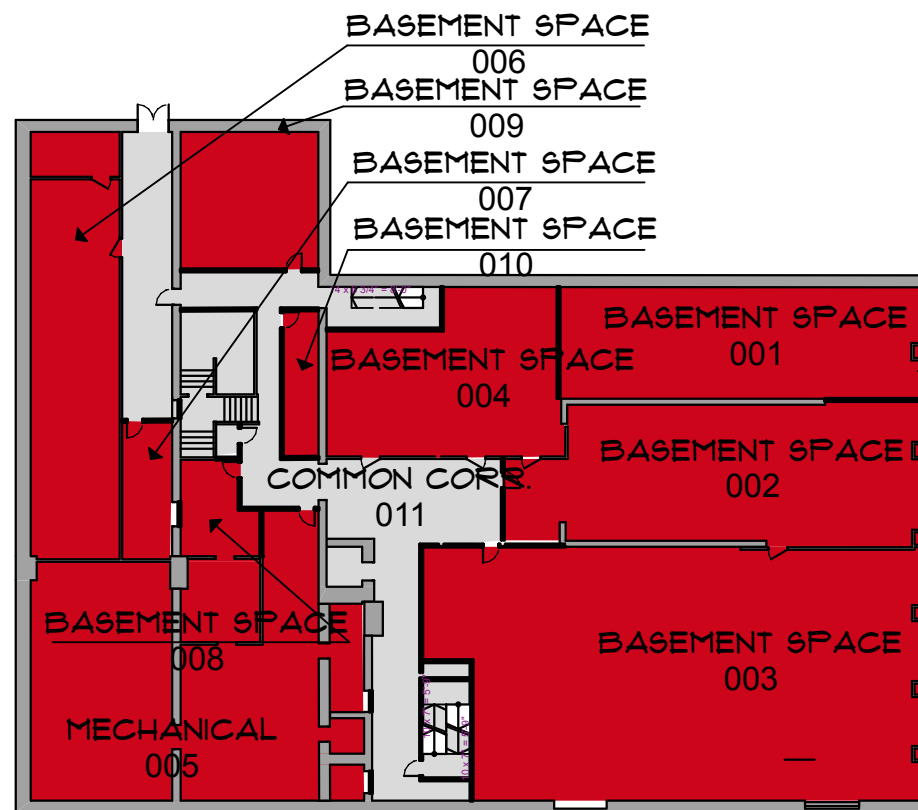


1 1st FLOOR PLAN
SCALE: 1/32" = 1'-0"

3 3rd FLOOR
SCALE: 1/32" = 1'-0"



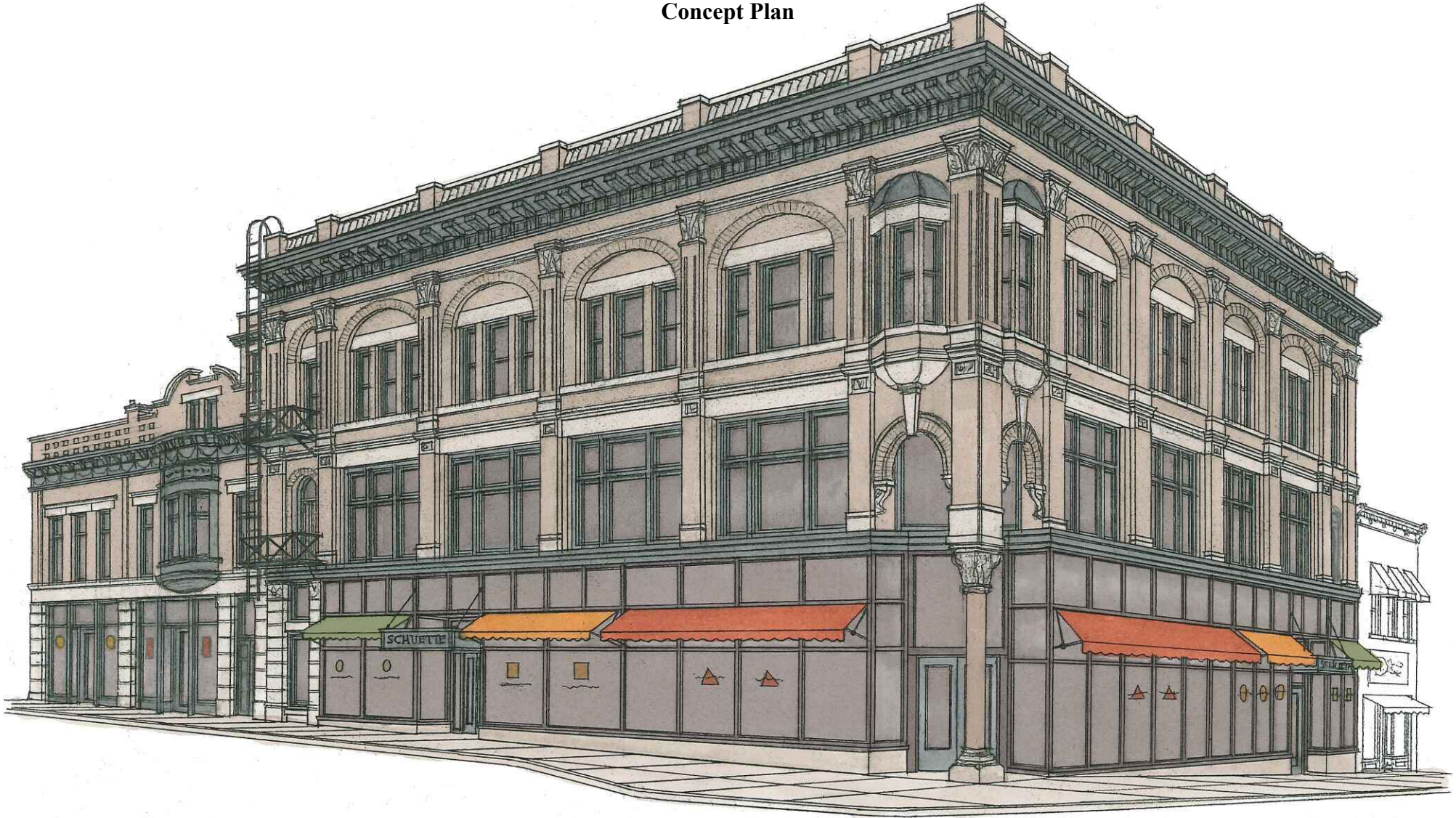
2 2nd FLOOR PLAN
SCALE: 1/32" = 1'-0"



4 BASEMENT PLAN
SCALE: 1/32" = 1'-0"

UNIT AREA SCHEDULE			
Space Type	Area Number	Area Name	Area
Common Areas	011	Common Corr.	2,308
Common Areas	105	COMMON AREA	2,657
Common Areas	203	Common Area	4,030
Common Areas	303	Common Area	121
Common Areas	305	Common Area	370
			9,486 sq ft
Lease Spaces	001	basement space	1,135
Lease Spaces	002	basement space	1,558
Lease Spaces	003	basement space	1,558
Lease Spaces	004	basement space	981
Lease Spaces	005	mechanical	2,237
Lease Spaces	006	basement Space	1,093
Lease Spaces	007	basement Space	191
Lease Spaces	008	basement Space	206
Lease Spaces	009	basement Space	530
Lease Spaces	010	basement Space	148
Lease Spaces	101	Lease Space	3,570
Lease Spaces	102	Lease Space	549
Lease Spaces	103	Lease Space	2,149
Lease Spaces	104	Lease Space	1,062
Lease Spaces	106	Lease Space	2,677
Lease Spaces	107	Lease Space	1,132
Lease Spaces	201	Lease Space	3,246
Lease Spaces	202	Lease Space	1,545
Lease Spaces	202a	Lease Space	1,720
Lease Spaces	204	Lease Space	2,721
Lease Spaces	205	Lease Space	393
Lease Spaces	301	Lease Space	719
Lease Spaces	302	Lease Space	726
Lease Spaces	304	Lease Space	3,488
			35,334 sq ft
			44,820 sq ft

Exhibit C
Concept Plan



HISTORIC SCHUETTE BLDG. - MANITOWOC, WI

DECEMBER 9, 2011

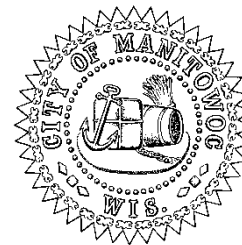
JOE LAWNICZAK



CITY OF MANITOWOC

WISCONSIN, USA

www.manitowoc.org



April 22, 2014

Wisconsin Economic Development Corporation
P.O. Box 1687
Madison, WI 53701

Dear WEDC Grant Review Team,

On behalf of the Community Development Authority of the City of Manitowoc, I am writing to express our support for the award of a Community Development Investment (Implementation) grant to bridge the funding gap toward renovation of the historic Schuette Building. This landmark downtown property has been the subject of planning efforts and community discussion for many years, and reinvestment into this highly visible real estate would invigorate not only the immediate surroundings, but uplift the entire downtown at a critical time.

The revitalization of Manitowoc's downtown continues, but not without its challenges. Investments made into increased downtown housing options, new construction and building renovations to support business growth, and expansion of engaging public spaces have been balanced with community events and year-round programming. The Lake Michigan shoreline, the Maritime Museum, the SS Badger car ferry, and other attractions continue to bring tourists to our community from out-of-state and beyond. And yet, our community seems to lag behind in the downtown renaissance being experienced by neighboring cities.

The Schuette Building exemplifies this phenomenon. Built in 1902 and located in the Eighth Street Historic District with many of its historic features still intact, the building exudes potential. The owners report a great deal of interest by potential tenants, but that interest has not materialized without a clear timeline and funding for restoration of the building. The financial support of WEDC is needed at this time. This shovel-ready project is expected to leverage more than \$5 million in immediate private investment. As the building leases up, and additional tenant improvements are made, the property value will continue to increase.

The owners have obtained a commitment of bank financing for the project. The City of Manitowoc and the Community Development Authority are also committed to the success of this project. As outlined in the City's development agreement with the owners, work has begun on exploring the feasibility of a revolving loan from the Downtown-Commercial RLF program. The Community Development Authority pledges its support subject to the approval process for the revolving loan program.

In recent listening sessions conducted by Mayor Nickels regarding the future of the downtown, the Schuette building was specifically brought up by community participants. This building is targeted for historic preservation in the City's downtown plan, and was identified as a top priority in the visioning stage of the comprehensive planning process. While clearly important to the community, the Schuette building faces all the usual challenges of a downtown redevelopment, and the project will not happen without the requested funding.

We ask for your support in realizing the potential of this beautiful building. The requested funds represent the final injection of confidence that is needed to begin implementation of the owners' and the community's mutual plan for this property. The 35,000 square feet of renovated space creates the additional retail, office, and residential options that will continue repositioning our downtown for a more sustainable future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nic Sparacio', with a stylized flourish at the end.

Nicolas Sparacio
CDA Executive Director