

**LAND DEVELOPMENT  
COOPERATION AGREEMENT**

*August* THIS LAND DEVELOPMENT COOPERATION AGREEMENT is entered into as of the 22nd day of *July*, 1997 by and among the Wisconsin Housing and Economic Development Authority, a public body corporate and politic, located at One South Pinckney Street, Suite 500, P.O. Box 1728, Madison, Wisconsin 53701-1728 (the "Authority"), the City of Milwaukee, a municipality of the State of Wisconsin located at 200 East Wells Street, Milwaukee, Wisconsin 53202-3551 (the "City"), the Redevelopment Authority of the City of Milwaukee, a public body, corporate and politic organized and existing under the laws of the State of Wisconsin, located at 809 North Broadway, Milwaukee, Wisconsin 53202 ("RACM") and the Neighborhood Improvement Development Corporation, a non-stock, non-profit, membership corporation existing under the laws of the State of Wisconsin, located at 809 North Broadway, Milwaukee, Wisconsin 53202 ("NIDC").

WHEREAS, the parties desire to encourage a mix of housing options in the City of Milwaukee with a strong preference for affordable single-family owner-occupied homes for persons and families of low and moderate income; and

WHEREAS, the parties believe that such affordable housing options can be attained through the redevelopment of vacant land in the City of Milwaukee; and

WHEREAS, the parties desire to enter into this Agreement governing the terms and conditions under which the parties will stimulate and expedite the redevelopment of vacant land in the City of Milwaukee bounded by 8th Street to 20th Street and Lloyd Street to Clarke Street. Such vacant land is more particularly described on Exhibit A attached hereto and shall be known herein as the "Property Pool". Individual building sites selected by the parties for development from the Property Pool are each defined as a "Property" and the Properties on which the City and RACM grant to NIDC an assignable Option to Purchase and Right of Entry are collectively defined as the "Redevelopment Properties."

NOW THEREFORE, in consideration of the mutual premises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**ARTICLE 1  
THE PROPERTIES**

**1.1 Project Coordinators**

The City, RACM and NIDC collectively and the Authority shall each identify a "Project Coordinator" to represent their respective organizations. The Project Coordinators shall be responsible for the obligations undertaken by their respective organizations in this Agreement.

## **1.2 Assembly of the Properties**

On or before July 1, 1998 or as soon thereafter as appropriate parcels can be evaluated, the Project Coordinators shall identify and the City and RACM shall purchase, acquire or cause to be acquired at least 60 parcels selected from the Property Pool. The City and RACM agree to grant to NIDC an assignable Option to Purchase and Right of Entry on each Property for environmental and soil remediation of such Property as outlined herein and conveyance for development. The parties acknowledge that, after remediation, NIDC may assign such option to the Authority and that the Authority may assign such option to a Selected Proposer as defined below.

## **1.3 Environmental Review and Rehabilitation**

NIDC agrees to perform an Underground Storage Tank ("UST") test for each one of the Properties. Modified Phase I assessments will be performed as required. NIDC will remediate any environmental hazards and remedy any extraordinary soil conditions i.e. the presence of underground rubble; provided however, that NIDC shall have no obligation to remediate environmental hazards in excess of Two Thousand Dollars (\$2,000.00) per Property. Any remediation costs in excess of Two Thousand Dollars (\$2,000.00) per Property shall be the responsibility of the Selected Proposer. It is understood that no site remediation will commence until a developer is chosen and the project is scheduled to proceed.

## **1.4 Water and Sewer**

The NIDC will install water and sewer laterals, at its own cost, to the lot line of each Property.

## **1.5 Permits and Approvals**

The City agrees to assist each builder, on a priority basis in the review of applications for all necessary permits and approvals in order for development of the Redevelopment Properties to proceed in an expeditious manner.

## **1.6 Payment**

The following payments will be made by the Authority to the NIDC:

- a) \$100,000 upon the execution of this Agreement;
- b) \$200,000 upon the granting to the Authority an Option to Purchase and Right of Entry on the first 30 Redevelopment Properties; and

- c) \$200,000 upon the granting to the Authority an Option to Purchase and Right of Entry on the second 30 Redevelopment Properties.

## **ARTICLE 2 THE REDEVELOPMENT PROPERTIES**

### **2.1 Request for Proposals**

Commensurate with the assembly of the Properties by the City and RACM, the Authority shall draft and prepare a Request For Proposals in order to facilitate new construction on the Redevelopment Properties (the "RFP"). Such RFP shall contain, at a minimum, the information contained on Exhibit B. The RFP shall be subject to review and approval by the City.

### **2.2 Selection of Development Proposals**

The City and the Authority shall form a team to review the Development Proposals solicited through the RFP. The team shall consist of the Project Coordinators and one other representative of the City and one other representative of the Authority. Development Proposals will be evaluated by the team and selected in accordance with criteria established by the City and the Authority. Where a Development Proposal includes a mix of rental and owner-occupied housing the mix shall not exceed one (1) unit of rental housing for each unit of owner-occupied housing. Financial feasibility, market need and design features shall be considered when evaluating all Development Proposals.

### **2.3 Authority Financing**

The Authority will make construction and long term financing available at a below market rate of interest to qualifying home buyers and developers of multifamily rental properties in accordance with Chapter 234 of the Wisconsin Statutes and the underwriting and standard procedures of the Authority. If a Development Proposal involves the construction of a number of contiguous units, the Authority's participation may be limited to a percentage of the total development.

### **2.4 Additional Resources**

If a Development Proposal is feasible but requires additional resources and all private resources available have been utilized, the City and the Authority agree to consider the use of other available development incentive resources, including, but not limited to, City and Authority resources. The City and the Authority shall provide to each other a list of development incentive resources which are potentially available together with a description of the conditions the Development Proposal must meet in order to be eligible to qualify for such development incentive resources.

## **2.5 Assignment of Option to Purchase**

Once a Development Proposal has been selected, the Authority agrees to assign its Option to Purchase for the appropriate Properties to the developer or a pre-approved homebuyer. The City and RACM hereby consent to such assignment. It is understood that the Authority does not intend to take fee simple title to the Redevelopment Properties. Options shall be enforced for a period of 15 months from the date of signing and may be renewed by mutual written consent of parties involved based on demonstration of tangible progress toward goals outlined herein.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY**

The Authority hereby represents and warrants to the City, RACM and NIDC as follows:

### **3.1 Organization**

The Authority is a public body, corporate and politic, duly organized and existing under Chapter 234 of the Wisconsin Statutes. It is existing in good standing under the laws of the State of Wisconsin and has all requisite power, licenses and authority to conduct its business.

### **3.2 Authority**

This Agreement constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action of the Members of the Authority and will not (a) require any further consent of the Members of the Authority; (b) violate any provision of Chapter 234 of the Wisconsin Statutes or of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the Authority; or (c) result in a breach of or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property of the Authority pursuant to any indenture or other agreement or instrument under which the Authority is a party or by which it or its properties may be bound or affected.

### **3.3 Absence of Litigation**

The Authority is not a party to any litigation or administrative proceeding (a) which relates to the execution, delivery or performance of this Agreement, or (b) which could, if adversely determined,

cause any material adverse affect on the ability of the Authority to perform its obligations under this Agreement.

### **3.4 Absence of Default**

The Authority is not in default under any lease, agreement, instrument, order, writ, injunction or decree which could cause any material adverse affect on its ability to perform its obligations under this Agreement.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE CITY**

The City hereby represents and warrants to the Authority as follows:

### **4.1 Organization**

The City is a duly organized municipality of the State of Wisconsin. It is existing in good standing under the laws of the State of Wisconsin and has all requisite power, licenses and authority to conduct its business.

### **4.2 Authority**

This Agreement constitutes a legal, valid and binding obligation of the City enforceable in accordance with its terms. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action of the City Council and will not (a) require any further consent of the City Council; (b) violate any provision of the City's Charter or of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the City; or (c) result in a breach of or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property of the City pursuant to any indenture or other agreement or instrument under which the City is a party or by which it or its properties may be bound or affected.

### **4.3 Absence of Litigation**

The City is not a party to any litigation or administrative proceeding (a) which relates to the execution, delivery or performance of this Agreement, or (b) which could, if adversely determined, cause any material adverse change in the ability of the City to perform its obligations under this Agreement.

#### **4.4 Absence of Default**

The City is not in default under any lease, agreement, instrument, order, writ, injunction or decree which could cause any material adverse affect on its ability to perform its obligations under this Agreement.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF RACM**

RACM hereby represents and warrants to the Authority as follows:

#### **5.1 Organization**

RACM is a duly organized public body corporate and politic organized under the laws of the State of Wisconsin. It is existing in good standing under the laws of the State of Wisconsin and has all requisite power, licenses, and authority to conduct its business.

#### **5.2 Authority**

This Agreement constitutes a legal, valid, and binding obligation of RACM enforceable in accordance with its terms. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action of the Commissioners of RACM and will not (a) require any further consent of the Commissioners of RACM; (b) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to RACM; or (c) result in a breach of or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property of RACM pursuant to any indenture or other agreement or instrument under which RACM is a party or by which it or its properties may be bound or effected.

#### **5.3 Absence of Litigation**

RACM is not a party to any litigation or administrative proceeding (a) which relates to the execution, delivery or performance of this Agreement, or (b) which could, if adversely determined, cause any material adverse change in the ability of RACM to perform its obligations under this Agreement.

#### **5.4 Absence of Default**

RACM is not in default under any lease, agreement, instrument, order, writ, injunction or decree which could cause any material adverse effect on its ability to perform its obligations under this Agreement.

**ARTICLE 6  
REPRESENTATIONS AND WARRANTIES OF NIDC**

NIDC hereby represents and warrants to the Authority as follows:

**6.1 Organization**

NIDC is a duly organized non-stock, non-profit, membership corporation existing under the laws of the State of Wisconsin. It is existing in good standing under the laws of the State of Wisconsin and has all requisite power, licenses and authority to conduct its business.

**6.2 Authority**

This Agreement constitutes a legal, valid, and binding obligation of NIDC enforceable in accordance with its terms. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action of the Board of NIDC and will not (a) require any further consent of the NIDC Board; (b) violate any provision of the Articles or Bylaws of NIDC or any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to NIDC; or (c) result in a breach of or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property of NIDC pursuant to any indenture or other agreement or instrument under which NIDC is a party or by which it or its properties may be bound or effected.

**6.4 Absence of Litigation**

NIDC is not a party to any litigation or administrative proceeding (a) which relates to the execution, delivery or performance of this Agreement, or (b) which could, if adversely determined, cause any material adverse change in the ability of NIDC to perform its obligations under this Agreement.

**5.4 Absence of Default**

NIDC is not in default under any lease, agreement, instrument, order, writ, injunction or decree which could cause any material adverse effect on its ability to perform its obligations under this Agreement.

**ARTICLE 7  
MISCELLANEOUS**

**7.1 Release and Indemnification**

The Authority, the City, RACM and NIDC do hereby mutually release, forever discharge and agree to indemnify, defend and hold harmless each other from any and all claims, demands, rights, liabilities

and causes of action of whatsoever kind or nature related to (a) the selection, development, construction and operation of any of the Redevelopment Properties; and (b) the negotiation, preparation, execution, delivery and enforcement of this Agreement or any other document required hereunder, including without limitation any amendment, supplement, modification or waiver of or to any of the foregoing, including all reasonable attorney's fees incurred in defense, which may now or hereafter be made against either of them by the other, whether known or unknown, currently existing or potential. The parties have each read this Agreement and consciously intend to disregard the possibility that there may be claims now existing of which they are currently unaware, and consciously intend to waive, release and indemnify all such claims entirely.

## **7.2 Fair Housing**

In the performance of this Agreement, the parties shall comply with all federal, state and local fair housing and equal opportunity requirements.

## **7.3 Expenses and Attorney's Fees**

Each party shall be responsible for payment of all fees and out-of-pocket disbursements incurred by said party in connection with the administration and enforcement of this Agreement, including all costs of collection, and including, without limitation, the fees and disbursements of counsel.

## **7.4 Successors**

The provisions of this Agreement shall inure to the benefit of and be binding upon any successor to any of the parties hereto. No delay on the part of any party to this Agreement in exercising any right, power or privilege hereunder shall operate as a waiver hereof nor shall any single or partial exercise of any right, power or privilege hereunder preclude other or further exercise thereof or the exercise of any other right, power or privilege. No party shall assign or transfer any of its rights or obligations hereunder without the prior written consent of the each other party.

## **7.5 Survival**

All agreements, representations or warranties made herein shall survive the execution of this Agreement.

## **7.6 Wisconsin Law**

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Wisconsin.



## **7.7 Counterparts**

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

## **7.8 Notices**

All communications or notices required under this Agreement shall be deemed to have been given on the date when personally delivered or deposited in the United States mail, certified mail, return receipt requested, postage prepaid, and addressed (unless and until any of such parties advises the other in writing of a change in such address) to the name and addresses of the parties as shown in the first paragraph of this Agreement and, in the case of the Authority, to the attention of the Authority's General Counsel.

## **7.9 Lawsuits**

No lawsuit shall be brought by any party for any alleged breach of the terms of this Agreement or any other cause of action unless written notice is first given to each other party, and each other party shall have had sixty (60) days after the giving of such notice to cure.

## **7.10 Waiver of Breach and Election of Remedies**

The remedies granted to the parties herein are cumulative and are not exclusive of any rights or remedies which the parties would otherwise have, and the exercise of one shall not be deemed an election of remedies. No waiver of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach.

## **7.11 Amendments**

Except as otherwise provided herein, this Agreement may not be amended except in a written document executed by each of the parties.

## **7.12 Partial Invalidity**

The invalidity of any provision, or part thereof, of this Agreement shall not affect the validity of the remaining portions thereof.

## **7.13 Captions; Terms**

The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of this Agreement. Terms used but

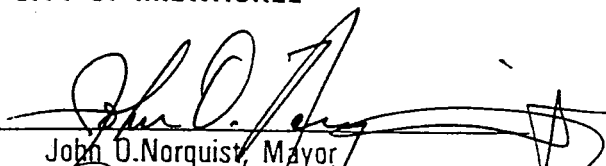
not specifically defined herein shall have the meaning specified in Chapter 234, Wis. Stats., or the rules, regulations, policies or procedures of the Authority.

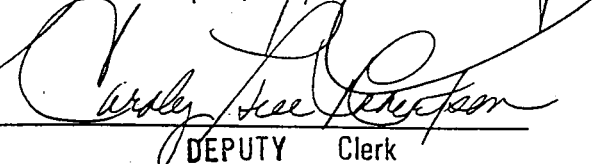
#### 7.14 Construction

This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instruments to be drafted. The headings and captions contained in this Agreement are solely for convenience of reference and shall not affect its interpretation. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.

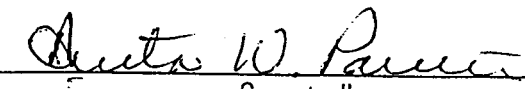

IN WITNESS WHEREOF, the parties have each entered into this Agreement as of the date first above written.

#### THE CITY OF MILWAUKEE

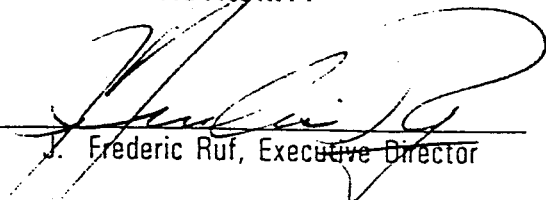
By:   
John O. Norquist, Mayor

By:   
DEPUTY Clerk

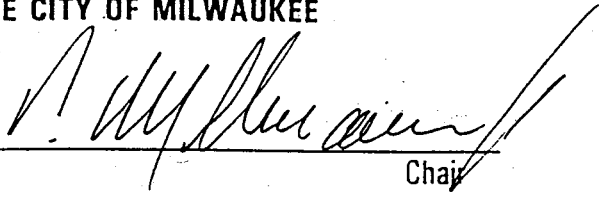
#### COUNTERSIGNED:

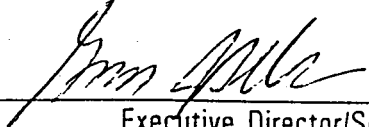
By:   
DEPUTY, Comptroller 

#### WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

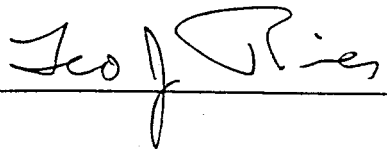
By:   
J. Frederic Ruf, Executive Director

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

By:   
Chair

By:   
Executive Director/Secretary  
ASST

**NEIGHBORHOOD IMPROVEMENT  
DEVELOPMENT CORPORATION**

By: 

By: \_\_\_\_\_

TOG:ksk:07-07-97  
kklosolagrmntstoglwheada2.cln

EX. A RES. No. 97045B

## CITY-OWNED PROPERTIES PROPOSED FOR ACQUISITION BY WHEDA

2137 N. 14th St.  
2137A N. 14th St.  
2200 N. 14th St.  
2204 N. 14th St.  
2211 N. 14th St.  
2216 N. 14th St.  
2213 N. 14th St.  
2213A N. 14th St.  
2219 N. 14th St.  
2219A N. 14th St.  
2223-25 N. 14th St.  
2229 N. 14th St.  
2243-45 N. 14th St.  
2111-13 N. 15th St.  
2115-17 N. 15th St.  
2210 N. 15th St.  
2216-18 N. 15th St.  
2222-24 N. 15th St.  
2240-42 N. 15th St.  
2219-21 N. 15th St.  
2243-43A N. 15th St.  
2245-45A N. 15th St.  
2102-04 N. 16th St.  
2110-12 N. 16th St.  
2114-16 N. 16th St.  
2134-36 N. 16th St.  
2211-13 N. 16th St.  
2214-16 N. 16th St.  
2218-20 N. 16th St.  
2242 N. 16th St.  
2246 N. 16th St.  
1612 W. Lloyd St.  
2432 N. 14th St.  
2437 N. 14th St.  
2454 N. 14th St.  
2377-79 N. 15th St.  
2418 N. 15th St.  
2563-63A N. 15th St.  
2567 N. 15th St.  
2567A N. 15th St.  
2571 N. 15th St.  
2573-75 N. 15th St.  
2332 N. 17th St.  
2334 N. 17th St.  
2435-37 N. 17th St.  
2441 N. 17th St.  
2412-14 N. 18th St.

2419 N. 18th St.  
2423-25 N. 18th St.  
2427 N. 18th St.  
2426-28 N. 18th St.  
2432 N. 18th St.  
2438 N. 18th St.  
2458-60 N. 18th St.  
2478-80 N. 18th St.  
2523 N. 19th St.  
2527 N. 19th St.  
2531-33 N. 19th St.  
2534 N. 19th St.  
2538 N. 19th St.  
2542 N. 19th St.  
2543 N. 19th St.  
2551 N. 19th St.  
1415 W. Meinecke Ave.  
1417 W. Meinecke Ave.  
1728 W. Meinecke Ave.  
1732-34 W. Meinecke Ave.  
1909-11 W. Meinecke Ave.  
1913-15 W. Meinecke Ave.  
1510 W. Wright St.  
1529 W. Wright St.  
1533 W. Wright St.  
1616-18 W. Wright St.  
1620-22 W. Wright St.  
1624-26 W. Wright St.  
1701-03 W. Wright St.  
1705 W. Wright St.  
1713-15 W. Wright St.  
1716-18 W. Wright St.  
1720 W. Wright St.  
1724-26 W. Wright St.  
1820-22 W. Wright St.  
1824 W. Wright St.  
1821 W. Wright St.  
1825-27 W. Wright St.  
1316 W. Garfield Ave.  
1320 W. Garfield Ave.  
1326 W. Garfield Ave.  
1330 W. Garfield Ave.  
1334 W. Garfield Ave.  
1336 W. Garfield Ave.  
1338 W. Garfield Ave.

## EXHIBIT B

### INTRODUCTION

The City of Milwaukee (the "City") the Wisconsin Housing and Economic Development Authority (the "Authority") the Redevelopment Authority of the City of Milwaukee, a public body, corporate and politic organized and existing under the laws of the State of Wisconsin, located at 809 North Broadway, Milwaukee, Wisconsin 53202 ("RACM") and the Neighborhood Improvement Development Corporation, a non-stock, non-profit, membership corporation existing under the laws of the State of Wisconsin, located at 809 North Broadway, Milwaukee, Wisconsin 53202 ("NIDC") have come together in an effort to stimulate development in the Homeownership Zone Target Area. This development initiative will encourage and expedite redevelopment in a relatively compact area. We hope that this collective effort will begin to reverse a pattern of decline and will re-establish a vibrant neighborhood characterized by a preponderance of owner-occupied homes and diversity of income and housing options. Where new construction or substantial rehabilitation is contemplated, it is the goal of this initiative to encourage designs which complement existing housing types and reinforce the character and pedestrian orientation of the urban environment.

While it is the goal of this initiative to encourage a mix of housing options with a strong preference for owner-occupied housing, proposals for rental housing will be considered. If a Development Proposal includes a mix of rental and owner-occupied housing, the mix should not exceed one (1) unit of rental housing for each unit of owner-occupied housing and that rental housing units shall be uniformly distributed throughout the entire area subject to the Cooperation Agreement for this project. All Development Proposals will be reviewed for financial feasibility and market by the City and the Authority.

### RFP RESPONSE

All Development Proposals must provide the following information in response to the RFP:

1. Narrative description of the Development Proposal, including a description of the target markets and the types of housing proposed. Proposals utilizing modular or manufactured housing will be considered based on design and affordability.
2. Site and landscape plans.
3. Elevation and floor plans.
4. Development budget, including income and operating statements and proposed sources and uses of funds.
5. Development schedule and summary of developer's experience.
6. If the Development Proposal involves the construction or rehabilitation of owner-occupied homes, provide a list of home buyers with pre-approved financing or a third-party market study.

7. If the Development Proposal involves the construction or rehabilitation of rental housing, provide a third-party market study.
8. The Project will comply with the following human resource requirements:

#### **DISADVANTAGED BUSINESS ENTERPRISE**

A minimum of 18% of the dollar value of the on site work related to this Project shall be performed by disadvantaged business enterprises as defined in Ch. 360, Milwaukee Code of Ordinances.

#### **RESIDENT PREFERENCE**

A good faith effort will be made to ensure that a minimum of 21% of the on site worker hours for this Project shall be performed by residents of the Community Development Block Grant area as defined in sec. 309-41, Milwaukee Code of Ordinances.

9. The City and WHEDA agree to expedite the process of obtaining necessary permits and approvals, however, as in any development project, the developer is responsible for completing the required forms, obtaining and paying for surveys, and obtaining and paying for construction permits, including associated back-up such as plans, engineering and architectural approvals.

#### **DEVELOPMENT INCENTIVES**

The City and the Authority are offering the following development incentives:

1. Properties eligible for development through this RFP have been or will be the subject of a UST Search. The Properties will be remediated by NIDC up to a cost of Two Thousand Dollars (\$2,000.00). Any remediation necessary in excess of that amount will be the responsibility of the developer.
2. The City will absorb the cost of installing water and sewer lateral to the building lot line of the Properties.
3. The Authority will make construction and long term financing available at a below market rate of interest to qualifying home buyers and developers of multifamily rental properties in accordance with Chapter 234 of the Wisconsin Statutes and the underwriting and standard procedures of the Authority. If a Development Proposal involves the construction of a number of contiguous units, the Authority's participation may be limited to a percentage of the total development.