



Department of City Development

City Plan Commission
Historic Preservation Commission
Neighborhood Improvement
Development Corporation
Redevelopment Authority

Rocky Marcoux
Commissioner

Martha L. Brown
Deputy Commissioner

September 6, 2007

Mr. Ronald D. Leonhardt
City Clerk
City Hall, Room 205
Milwaukee, WI 53202

Dear Mr. Leonhardt:

Enclosed is a fully executed duplicate original of the Development Agreement, Contract No. 07-048 (RA), and subsequent EBE Agreement, both dated July 26, 2007, between Legacy Development Partners, LLC, the Redevelopment Authority of the City of Milwaukee and the City of Milwaukee. This pertains to Tax Incremental District No. 65.

Please insert this agreement into Common Council Resolution/File No. 070378, adopted June 16, 2007.

Sincerely,



Rocky Marcoux
Executive Director-Secretary
Redevelopment Authority of
the City of Milwaukee

Enclosure

AGREEMENT FOR PURCHASE AND SALE

THIS AGREEMENT, by and among the **REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE**, a public body corporate (“RACM”), the **CITY OF MILWAUKEE**, a municipal corporation (“City”), and **LEGACY DEVELOPMENT PARTNERS, LLC** (hereinafter called “LEGACY”).

WITNESSETH:

WHEREAS, pursuant to the terms hereof, RACM wishes to further the objectives of the Redevelopment Plan for the 20th and Brown Area Renewal Project (Plan) and the TID Project Plan (defined below) and RACM wishes to carry out an urban renewal project area pursuant to Wis. Stat. §66.1333; and

WHEREAS, pursuant to the terms here, RACM wishes to sell certain property to LEGACY (which property is herein called the “Property” and is more particularly described in Exhibit A attached hereto), and LEGACY wishes to buy certain of the Property for and in accordance with the uses specified in the “Redevelopment Proposal for the Lloyd/Garfield Street Neighborhood” dated January 19, 2005 (“The Project”); and

WHEREAS, LEGACY provided RACM with “The Legacy: Source and Use of Funds” and “The Legacy Town Homes Project Cost Breakdown” (“Financial Forecasts”) dated July 7, 2006, and RACM utilized the Financial Forecasts to prepare a Project Plan for TID No. 65 and to make assumptions about cost and profit sharing between LEGACY and RACM; and

WHEREAS, in accordance with Wis. Stat. §66.1333(9)(b), RACM’s Board approved this transaction pursuant to RACM Resolution File No. 9794, and the City’s Common Council approved this transaction pursuant to Common Council Resolution File No. 070378 and the Land Disposition Report approved thereby;

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, and good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

SEC. 1. PURCHASE PRICE; PERFORMANCE DEPOSIT; DEADLINE FOR EXECUTION OF AGREEMENT.

Subject to all the terms, covenants and conditions of this Agreement, RACM will make available to sell the Property to LEGACY (and LEGACY will buy it) for \$2,000 per replatted single family building lot, \$1,000 per townhouse unit lot, (the “Purchase

DUPLICATE
ORIGINAL

Price”), to be paid by cashiers check at the time of closing, subject to the customary deductions and prorations, as well as any other adjustments called for herein.

(a) In determining fair market value of the Property, RACM considered those matters set forth in Wis. Stat. §66.1333(9)(b) – including, but not limited to, the duties and restrictions imposed upon LEGACY hereunder and the restrictions imposed upon the conveyance hereunder. Thus, while the monetary Purchase Price is as stated above, LEGACY’s duties and obligations hereunder, and the terms of this conveyance, recognize nonmonetary compensation and other added value.

(b) **Land shall be Sold in Stages.** The single family building lots are divided into four (4) Clusters, Cluster 1, Cluster 2, Cluster 3 and Cluster 4, which Clusters are more specifically described on **Exhibit A** attached hereto. LEGACY shall take title to the single family buildings lots in more than one conveyance, on a Cluster-by-Cluster basis. LEGACY shall purchase Cluster No. 1 first, and the remaining Clusters of single family buildings lots may be purchased in any order. The multiple unit townhouse lots (the “Townhouse Lot”) are in Cluster 1A, which is more specifically described on Exhibit A attached hereto. LEGACY shall take title to the Townhouse Lots pursuant to Section 3(i) hereof. (The boundaries of the Clusters depicted in Exhibit A are descriptive and may be modified by mutual agreement between RACM and LEGACY). Once at least half of the single family building lots in a Cluster are sold and under construction, LEGACY may, on written request to RACM, purchase all single family building lots in an additional Cluster. Closing on additional Clusters of single family building lots shall occur within 30 days of RACM’s receipt of LEGACY’s request. Unless otherwise approved by RACM, LEGACY may not simultaneously own land in more than three Clusters of single family building lots. Notwithstanding the foregoing, LEGACY may purchase a Townhouse Lot pursuant to Section 3(i) hereof so that it may simultaneously commence development and sale of a Townhouse building-with the sale of single family building lots.

(c) **Performance Deposit.** In addition to the Purchase Price, LEGACY shall, at the closing on the conveyance of Cluster 1 (“First Closing”), also pay to RACM a \$10,000 Performance Deposit, or provide to RACM a \$10,000 irrevocable letter of credit from a Bank acceptable to RACM (“Deposit”) that shall be held by RACM to guarantee LEGACY’s completion of the Project and satisfaction of LEGACY’s obligations hereunder. Upon completion of the Project, and RACM’s issuance to LEGACY of a Certificate of Completion, as long as LEGACY is not then in breach hereunder, RACM shall return the Deposit to LEGACY without interest. RACM may retain all or part of the Deposit, not as liquidated damages or as a restriction or limitation of damages, but as an offset against damages in the event of LEGACY breach hereunder and LEGACY failure to cure within the time periods set forth herein. Alternatively, RACM may, in its sole discretion, in the event of LEGACY breach hereunder and LEGACY failure to cure within the time periods set forth herein, elect to retain the Deposit as liquidated damages.

(d) **Recording Fees.** At the Closing, LEGACY shall pay to RACM the cost to record in the Register of Deeds Office a memorandum of this Agreement. Also, at each Closing LEGACY shall pay to RACM the cost to record each Deed (as defined below.)

(e) **Deadline for Executing this Agreement.** This Agreement must be executed no later than 15 days after the final approval of this Agreement by the Common Council.

(f) **Additional Consideration.** Within 60 days of completing any combination of 68 town house and single family units, or 50 months of the First Closing, whichever is earliest (the "Determination Date,") LEGACY shall provide RACM with a detailed financial report with supporting documentation showing LEGACY's Total Direct Costs and Net Income. Total Direct Costs means the sum of (1) LEGACY's direct costs associated with purchase and development of the Property, except that costs for "Administration" listed in the Financial Forecasts may not exceed \$2,000 per unit; and (2) LEGACY's direct costs associated with building and developing the town house units, except that costs for "Developer's Overhead" listed in the Financial Forecasts may not exceed \$5,000 per town house unit. Total Direct Costs does not include any allowance for income taxes. Net Income means LEGACY's total income from sale of Property (including any town house units) less Total Direct Costs. On and after the Determination Date, the amount by which LEGACY's Net Income exceeds 15% of Total Direct Costs shall be shared equally with RACM ("Shared Earnings.") LEGACY shall provide RACM with its portion of Shared Earnings (if any) within 30 days of the Determination Date, and every quarter end thereafter until all the Property is sold.

SEC. 2. CONVEYANCE OF PROPERTY.

(a) **Form of Deed.** RACM shall convey title to the Property to LEGACY by Limited Warranty Deed (a "Deed"). The conveyance and title shall be subject to:

1. The terms, conditions, covenants, and restrictions contained in this Agreement (including, but not limited to, the duty to construct the Project and RACM's reversionary interest) – it being understood that RACM will record a memorandum of this Agreement in the Milwaukee County Register of Deeds Office at LEGACY's expense; and
2. Applicable statutes, orders, rules and regulations of the Federal Government and State of Wisconsin, and laws and ordinances of the City of Milwaukee, including zoning, building and land subdivision laws and regulations; and
3. Land use, building and other covenants or restrictions or matters of record, including those set forth in the Redevelopment Plan; and

4. All easements of record; and
5. Any recorded or unrecorded rights or interests of any utility or other entity in any vacated street or vacated public right-of-way at the Property including any rights or interests of any party under Wisconsin Statutes Sec. 66.1005(2); and
6. Matters not caused or created by RACM and of which RACM does not have knowledge, either actual or constructive.

(b) **Closing, Time and Place for Delivery of Deed.** The First Closing on the conveyance of one of the Clusters of single family building lots, at which RACM shall deliver the Deed to lots in Cluster No. 1 to LEGACY, shall be at City Hall at a mutually acceptable date and time that is within 30 days after all of the following have occurred:

1. This Agreement has been fully executed by the parties;
2. LEGACY has obtained the approval of the Commissioner of the Department of City Development (“Commissioner”) of the following:
 - a. Proof of financing for the Project (defined in Section 5 below) sufficient to enable LEGACY to undertake and complete the Project;
 - b. LEGACY’s final plans and specifications for four single family model homes;
 - c. LEGACY’s budget and schedule for the Project.
 - d. A stormwater management plan for the Property; and
 - e. A land division plan for the Property.
 - f. A Term Sheet that outlines the conditions of the sales contract between LEGACY and the Home Builders.
3. LEGACY shall submit the items set forth above to the Commissioner within 30 days of full-execution of this Agreement.
4. LEGACY shall accept the conveyance and pay the Purchase Price to RACM at Closing.

(c) **Subsequent Closings.** In addition to the requirements of Section 5(d), LEGACY shall: (a) close on the sale of the Townhouse lots according to Section 3 (i) of this Agreement, (b) close on the sale of a subsequent Cluster of single family building lots within 12 months of the First Closing, and (c) close on the sale of further Clusters of single family building lots within 12 months of the immediately preceding Closing. If sales are insufficient to permit closings of Clusters of single family building lots per this Section 2 (c), LEGACY shall provide RACM written notice no later than 30 days prior to the required closing date and LEGACY shall further request that RACM grant an extension of the closing date, which RACM shall reasonably grant, except that after the deadlines outlined herein, RACM reserves the right, after consultation with LEGACY, to sell all or parts of Clusters of single family building lots to any other buyer that agrees to redevelop the property in a way that is consistent with the Plan.

(d) **Proration of Taxes.** There shall be no proration of taxes as the Property is tax exempt.

(e) **Leases.** No leases currently affect the Property.

(f) **Recording Deed.** RACM shall promptly record each Deed with the Milwaukee County Register of Deeds. LEGACY shall pay all costs for recording.

(g) **Title Insurance.** RACM shall provide LEGACY with title insurance to the Property, in an amount equal to the Purchase Price. LEGACY acknowledges receipt of copies of Title Insurance Commitments listed in **Exhibit B.**

(h) **Special Assessments.** RACM will be responsible for all special assessments levied through the date of closing of the respective Clusters of the Property. As of the date of this Agreement, RACM is not aware of any such special assessments. LEGACY is responsible for all special assessments levied after the date of Closing with respect to each Cluster and it is further agreed that the Public Improvements described in, and on file with the Department of City Development, the "Project Plan for Tax Incremental District No. 65, City of Milwaukee, North 20th/Brown Streets" shall not be special assessments but instead shall be paid through Tax Incremental District No. 65. RACM will provide details of any known or contemplated special assessments at Closing. The estimated cost for any outstanding special assessment for which RACM is responsible will be credited against the Purchase Price at Closing, and LEGACY shall, after Closing, then be responsible for any such special assessment.

(i) **Tax Delinquency; Code Violations.** LEGACY warrants and represents to RACM: (1) as of the date of this Agreement and as of the date of Closing (and at all times in between) that neither LEGACY nor any principal of LEGACY (including any member or any entity in which LEGACY or a principal of LEGACY has an ownership or management interest), owns any real estate in the City of Milwaukee against which there

exist any uncontested delinquent real estate taxes or any outstanding building or health code violation; and (2) that, neither LEGACY nor any principal of LEGACY, nor any entity in which LEGACY or a principal of LEGACY has an ownership or management interest, was, at any time during the 12 months immediately preceding the date of this Agreement, convicted of failing to comply with any Health Department or building inspection order. If at any time prior to Closing, any of the foregoing warranties and representations is discovered by RACM to be untrue, RACM may provide written notice of such to LEGACY, and in the case of sub item (1), if the real estate taxes or the violation(s) are not paid or corrected (as the case may be) prior to Closing, or in the case of sub item (2), then RACM may, at its sole discretion, declare this Agreement canceled, in which case, the Performance Deposit shall be retained by RACM as liquidated damages.

(j) **No Tax Exemption.** Until the TID has been repaid, no portion of the Property shall at any time after Closing be exempt from real estate taxes.

SEC. 3. ENVIRONMENTAL.

As Is. The Property shall be sold and conveyed on an “AS IS,” “WHERE IS” basis with all faults and with no representations or warranties (express or implied) whatsoever - except as expressly provided for herein. Without limiting or restricting the foregoing, except as otherwise provided in this Agreement, LEGACY shall be solely responsible for all costs and expenses associated with the Property and its improvement, including, but not limited to: (1) site preparation and development costs (including, but not limited to, the provision of utility and infrastructure for or serving the Project and the Townhouse units thereat, but excluding the cost to extend water and sewer laterals to or serving the Property) and (2) all grading and site excavation expenses and LEGACY must include in its development budget an allowance for extraordinary excavation and building and foundations since the Property may contain old buried foundations, building materials and/or other debris, rubble, unstable fill or soils, or other adverse geotechnical conditions and subsurface defects (3) all environmental-related expenses and costs (including, but not limited to, investigation and remediation). RACM shall not provide any survey of the Property.

(a) **Phase I Environmental Site Assessments.** RACM provided LEGACY the following Reports: “Phase-I Environmental Site Assessment (ESA) of the proposed Fond du Lac and North Avenue Neighborhood Redevelopment, Area” prepared by Shaw Environmental Inc. (“Shaw”) and dated February, 2006 (the “Shaw Report”).

(b) **Phase II Environmental Site Assessments.** The Shaw Report summarizes Phase II work completed through 2005, including Phase II work in 2001 which identified soil and groundwater impacts on lots 16, 17, 18 and 27 located within Block 254 of the Property, and lots 19 and 26 located within Block 231 of the Property: (which, along with

the lots described in (c) below, are the "Impacted Properties"). In reports dated June, 2006 (the "June 2006 Shaw Reports"), Shaw completed additional Phase II work at the Impacted Properties, as follows: Site Investigation Report Fond du lac and North Avenue Neighborhood Redevelopment 2235 West North Avenue, 2102 West Garfield Avenue and 2239 North 21st Street. RACM has provided LEGACY with copies of the June 2006 Shaw Reports.

(c) **Additional Phase II Environmental Site Assessments.** In reports dated December 4, 2006 (the "December 2006 Shaw Reports"), Shaw completed additional Phase II testing of lots 19, 20, 21, 22, 23, and 24 within Block 254 of the Property, and also lots 16, 17, 18, 20, 21, 22, 23, and 24 within Block 231 of the Property, which lots were similarly environmentally contaminated and shall collectively, with the lots described above in (b) be referred to herein as "Impacted Properties." RACM has provided LEGACY with a copy of the December 2006 Shaw Reports.

(d) **Remedial Action or Soil Management Plans.** RACM shall, at its expense, conduct additional Phase II testing of the Impacted Properties if such testing is required by the Wisconsin Department of Natural Resources ("DNR,"), and, should the DNR require a Remedial Action Plan (a "RAP") or a Soil Management Plan (a "SMP"), RACM shall prepare such required RAP or SMP for the Impacted Properties. RACM shall work with the DNR to seek closure for the Impacted Properties, but any obligation to implement a RAP or SMP is subject to (f) below.

(e) **Further Phase II Testing** RACM shall, at its expense, and in consultation with LEGACY and the DNR conduct Phase II Testing of lots 12, 13, 14, 15, 25, 26, 27, 28, 29 and 30 within Block 254 of the Property and also lots 10, 11, 12, 13, 14, 15, 25, 26, 27, 28, 29, and 30 within Block 231 of the Property (the "Additional Properties.") RACM shall share the results of the testing on the Additional Properties with Legacy and the DNR, and shall consult with LEGACY in determining what (if any) response is necessary and appropriate. Should the DNR require a RAP or SMP for the Additional Properties, RACM shall seek funding from the U.S. Environmental Protection Agency ("EPA") and, only if funding becomes available, RACM shall prepare a RAP or SMP for the Additional Properties.

(f) **Remediation of Impacted Properties and Additional Properties.** Upon receipt of an award of sufficient funding from the EPA, RACM shall, at its expense, to the extent of such funding, carry out the requirements of the RAPs or SMPs. If RACM is unable to obtain sufficient EPA grant funding, RACM may pay for the remediation using TID dollars but only if RACM determines that there are sufficient funds in the TID No.65 account for this purpose.

(g) **Underground Storage Tanks.** If during construction, LEGACY discovers fuel oil underground storage tanks ("USTs") on any of the Property, RACM will provide

up to \$40,000 in the aggregate to pay for removal by LEGACY of such USTs and to seek a closure assessment.

(h) **Pre-acquisition of Impacted and Additional Properties.** After DNR approval of the RAP or SMP, and immediately after RACM starts the remediation work on the Impacted Properties (and, if necessary, the Additional Properties), LEGACY shall prepare the final site and building plans, obtain bids, secure construction financing, commence marketing, obtain final approval for land division, obtain permits, and do all other work necessary to start construction on the Townhouse Lot according to (i) below.

(i) **Acquisition of Impacted and Additional Properties.** Notwithstanding anything to the contrary in this Agreement, due to the environmental contamination of the Impacted Properties and the likely environmental contamination of the Additional Properties, RACM shall not offer any of the properties in Cluster 1A for sale to LEGACY until RACM has prepared a RAP or SMP for the Impacted Properties and, if necessary, the Additional Properties and obtained DNR closure or a "no further action" letter ("Completion of Remediation") therefor. Upon RACM's Completion of Remediation, RACM shall provide LEGACY written notice of same. LEGACY shall then close on the acquisition of at least one Townhouse Lot in Cluster 1A within thirty (30) days of its receipt of such written notice and commence construction on the Townhouse Lot within thirty (30) days following the closing. After LEGACY's closing of the first Townhouse Lot in Cluster 1A, LEGACY shall close on at least one Townhouse Lot in Cluster 1A every six (6) months thereafter and commence construction thereon within ninety (90) days of such closing. If sales are insufficient to permit closings per this Section 3(i), LEGACY shall provide RACM written notice no later than thirty (30) days prior to the required closing date and LEGACY shall further request that RACM grant an extension of the closing date, which RACM shall reasonably grant, except that after the deadlines outlined herein, RACM reserves the right, after consultation with LEGACY, to sell all or parts of the Townhouse Lots in Cluster 1A to any other buyer that agrees to redevelop the property in a way that is consistent with the Plan.

(j) **As Is.** The Shaw Report, the June 2006 Shaw Report, the December 2006 Shaw Report and, if required, the RAPs or SMPs: (1) shall not affect the "AS IS" nature of this sale: 2) shall not be deemed a representation or warranty by RACM or City with respect to the Property or its condition or anything affecting the Property; and, neither RACM nor City shall be responsible for any inaccuracies or errors contained in the reports, the RAP or SMP, or for any remediation of any issues raised or discussed therein or otherwise.

(k) **Survival.** The provisions of this SEC. 3 shall expressly survive the "Certificate" referred to below and the recording of the same in the Register of Deeds Office.

SEC. 4. ENTRY AND ACCESS RIGHTS.

(a) **Right of Entry for Utility Service and for City Construction Activities.**

RACM and the City reserve for themselves, and any public utility company as may be appropriate, the right to enter upon the Property at all reasonable times (including post-Closing) and upon reasonable notice to LEGACY for the purpose of reconstructing, maintaining, repairing or servicing: (1) the public utilities located or to be located within the Property boundary lines; (2) any utility in any easement of record against the Property; or (3) any utility that may be unrecorded under Wis. Stat. §66.1005 (2).

(b) **Construction Over Utility Easements.** LEGACY shall cooperate with RACM, City, and any utility that has any easement for public utilities described or referred to in any easement of record against the Property. Except as otherwise expressly provided herein, LEGACY shall be responsible for the costs associated with either constructing over or relocating any such easements or interests.

(c) **Access to Property.**

1. **LEGACY Preacquisition Access Generally.** Prior to the conveyance of all of the Property to LEGACY, RACM and City shall permit representatives of LEGACY to have access to any part of the Property to which RACM and/or City currently holds title, at all reasonable times, for the purpose of obtaining data and making various inspections and tests as LEGACY may reasonably request - provided, however, **(aa)** that any such entry and access shall be at LEGACY's sole risk, **(bb)** LEGACY shall release, indemnify and hold RACM and the City harmless from and against any and all costs, claims, expense, and matters associated, directly or indirectly, with LEGACY's (or anyone claiming by, through, or under LEGACY) entry or access, **(cc)** if LEGACY does not close on the Property, LEGACY shall restore any damage or disruption caused, directly or indirectly, by LEGACY's (or anyone claiming by, through, or under LEGACY) entry or access, **(dd)** prior to entry, LEGACY must submit to RACM and City evidence of insurance according to RACM's minimum guidelines (attached hereto as **Exhibit C**, and **(ee)** LEGACY must provide to RACM and City the results of any preacquisition inspection, survey, or test made by, or at the direction of, LEGACY.

2. **RACM and City Post-Closing Access.** After conveyance of the Property to LEGACY, and for so long as LEGACY is the owner of any of the Property, LEGACY shall permit representatives of RACM and the City (including their respective contractors and subcontractors), access to the portion of the Property to which LEGACY currently holds title at all reasonable times that RACM or City deems necessary for the purposes of this Agreement, including, but not limited to: inspection of all work being performed in connection with the

Project as hereinafter defined, and undertaking duties required of City or RACM hereunder (including construction duties regarding Public Improvements (defined below) – provided, however, (aa) that City’s and RACM’s entry and access shall be conducted in a manner so as not to unreasonably interfere with or delay construction activities of LEGACY (likewise LEGACY shall not unreasonably interfere with or delay City’s construction activities), (bb) that any such entry or access by City or RACM shall be at their sole risk, and (cc) the City and RACM shall release, indemnify and hold LEGACY harmless from and against any and all costs, claims, expenses and matters associated, directly or indirectly, with the City’s or RACM’s (or anyone claiming by, through, or under the City or RACM) entry or access.

3. **Access at No Charge.** No compensation shall be sought by any party hereto for the access provided for in this Section.

SEC. 5. LEGACY’S REDEVELOPMENT OF THE PROPERTY.

(a) **The Project.** LEGACY shall redevelop the Property in accordance with the Plan and as follows:

1. Cooperate with RACM in preparation of the Plan;
2. As necessary, continue to perform outreach to neighborhood stakeholders informing them of changes to the Plan, and soliciting their input;
3. Submit to the Commissioner, and receive the Commissioner’s approval thereof prior to construction, all building plans for improvements to any of the Property, including plans for landscaping;
4. Create residential subdivisions with at least 68 single family or townhouse buildings lots that will be ready for construction upon them 68 units of owner-occupied homes;
5. Construct and maintain for the duration of the Project, or until at least 50 homes are built, a minimum of four (4) model homes;
6. According to the terms of Section 3 (i), and after LEGACY has purchased one Town House Lot, LEGACY shall construct one 6-unit townhouse building on West Garfield Avenue;
8. Construct, or arrange to have constructed electrical, gas, telephone, and other utility services where required.

(b) **Commencement of Construction of Model Homes.** LEGACY shall require that Home Builders' to whom LEGACY has sold lots from the Cluster acquired at the First Closing to commence construction of four model homes within 120 days of the First Closing and complete the same within one year after commencement of construction thereof, weather permitting.

(c) **Sale of Lots and Marketing Property.** LEGACY shall begin sale of individual lots in the Project within 30 days of First Closing, and shall actively market the lot sales on a continuing basis until all lots are sold. LEGACY shall, in any event, sell lots to Home Builders and require the Home Builders to complete construction of houses on 50% of the lots in a Cluster of single family building lots within 12 months of First Closing, and sell lots to Home Builders and require such Home Builders to complete construction of 100% of houses on the Property pursuant to Section 2 (c) of this Agreement and to develop 100% of the Townhouse Lots pursuant to Section 3 (i) of this Agreement. If, in spite of its commercially reasonable efforts LEGACY is unable to meet these deadlines for sale and completion of the houses and Townhouses, LEGACY shall submit to RACM a written request for an extension, and RACM shall reasonably grant such extension.

(d) **LEGACY to Build Project Per Final Plans & Specs.** LEGACY shall develop the Property in accordance with the Commissioner approved final plans and specifications ("Final Plans & Specs"). LEGACY shall require each Home Builder to whom it sells a lot(s), through contracts and deed restrictions to build and maintain improvements according to the Final Plans and Specs, as the same may be modified from time-to-time as approved by the Commissioner. LEGACY shall require all Home Builders to include in all building construction contracts provisions to ensure that all exterior painting, staining, service walks, garages, and final landscaping will be completed within 18 months of completion of construction of the home on each such lot. The Plans and Specs shall require garages for every model home and for every Townhouse unit and a concrete pad for each single family lot.

(e) **Use of Subsidies.** LEGACY shall ensure that no more than ten (10) buyers use a Federal HOME grant, or a subsidized HOME loan, and LEGACY shall further not use Federal HOME funds to build any of the 4 models or to build any of the first 6 Townhouse units. LEGACY shall additionally limit the use of HOME funds to 4 units until at least 10 units are sold.

(f) **No land banking.** Prior to selling any lot or lots, LEGACY shall require the buyer to provide proof of construction financing. The sale of a lot shall require completion of an approved home or Townhouse within 18 months of Legacy selling the lot to any buyer. LEGACY shall require through its contracts, deeds, and other instruments with Home Builders, that all the terms and conditions of this Agreement shall be fully complied with.

(f) **Subdivision and Homeowner Regulations and Restrictions.** LEGACY shall prepare and, on or before sale of any lot, and also on or before the sale of any unit in the Townhouses if the Townhouses will not be under the condominium form of ownership, submit to the Commissioner for approval, prior to recording in the Milwaukee County Register of Deeds Office against the Property, Subdivision and Homeowner Regulations and Restrictions, Said document, once recorded, shall constitute restrictive covenants against the Property, and shall: not conflict with the Redevelopment Plan (as amended); restrict each lot in the subdivision (and as applicable, each unit in the Townhouses) to owner-occupied residential housing; restrict and limit certain exterior building materials for houses in the subdivision (and, as applicable for the Townhouses); identify authorized and prohibited site improvements; specify minimum square-footage requirements for homes to be built on the lots; provide for the creation and governance of a homeowner's association that shall be responsible for care and maintenance of any required storm water management systems and of any common green space at the Property (the association (not the City and not RACM) shall be responsible for care and maintenance of all green space within any public right-of-way at the Property); specify how to enforce covenants; and be flexible enough to allow for reasonable diversity of housing designs, styles, and site plans.

(g) **Creation of Condominium and Condominium Documents.** LEGACY shall, on or before the Closing of any condominium unit, prepare and submit to the Commissioner for approval, prior to recording in the Milwaukee County Register of Deeds Office, a condominium declaration under Wis. Stat. Ch. 703, plats and plans of the condominium, and bylaws regarding the residential condominium that LEGACY will construct on and create at the Property.

Promptly after the Commissioner's approval, LEGACY shall lawfully create the condominium in accordance with Wis. Stat. Ch. 703.

(h) **Permits: Approvals (including Land-Division Approval); Compliance with Laws.** LEGACY shall, at its expense, obtain all requisite governmental permits and approvals ("Approvals") necessary to develop the Project (including but not limited to Approvals regarding land division and subdividing the Property), and LEGACY shall construct the lots and any Townhouses it constructs in conformance with the Approvals and with all applicable federal, state, and local laws (including, but not limited to Wis. Stat. Ch. 236 and Milwaukee Code of Ordinances Ch. 119).

(i) **Progress Reports.** LEGACY shall, upon the Commissioner's request, keep the City and RACM apprised of progress in obtaining Approvals, construction progress, and lot and condo-sales efforts. On a quarterly basis (beginning with the three-month anniversary of the First Closing and on each successive three-month date thereafter), LEGACY shall provide the Commissioner with a written report providing the following information: number of lots sold and lot and the Home Builders' identity;

number of lots under contract for sale and lot and the Home Builders' identity; photograph showing observable status of construction on sold lots; status of Townhouse construction; number of Townhouse units sold and owner and unit identity; and number of Townhouse units under contract for sale and Townhouse unit and buyer identity.

SEC. 6. TID; PUBLIC IMPROVEMENTS; RACM-CITY COOPERATION.

(a) Public Improvements.

1. **Public Improvements.** RACM shall commence construction of the re-paving of West Garfield Avenue as soon as possible after this Agreement is executed. RACM shall commence construction of the remaining Public Improvements for the entire Project after the number of single family lots sold and under construction is at least 4.

2. **DPW Design Costs.** After RACM has provided necessary funds to the City of Milwaukee Department of Public Works ("DPW"), then DPW shall prepare design-engineering drawings, plans and specifications for the Public Improvements (defined below). The City shall construct all Public Improvements in conformance with DPW's drawings, plans and specifications.

3. **Public Improvements.** The Public Improvements that the City shall construct after Closing are (and the term "Public Improvements" as used herein means) as follows:

- aa. Abandon existing sewer and water where required.
- bb. Install new sewer and water mains where required.
- cc. Install sewer and water laterals at locations to be designated by LEGACY, but only up to each respective lot line for each individual lot.
- dd. Install hydrants.
- ee. Install catch basins.
- ff. Install concrete curb and gutter.
- gg. Install asphalt streets.
- hh. Install concrete alleys.
- ii. Install curb cuts where required at locations to be determined by LEGACY.
- jj. Install public sidewalks, including the repair or replacement (as DPW directs) of existing walks.
- kk. Install topsoil and sod in tree lanes.
- ll. Plant trees in tree lanes. LEGACY shall put up fencing and take precautions to protect existing and City-planted trees during construction of the Project.
- mm. Install street lighting as specified.

Funds for the construction and inspection of the Public Improvements are to be provided to DPW by RACM.

4. **City Costs Associated With Public Improvements.** City's costs associated with the Public Improvements (including DPW's plans and specs.) shall be funded through TID funds as per TID No. 65 Project Plan.

5. **City Bidding.** The City shall, with respect to the Public Improvements, and to the extent applicable law requires, solicit bids (Wis. Stat. § 66.0901 and City Charter Chapter 7), comply with prevailing-wage-rate requirements (Wis. Stat. § 66.0903 and Milw. Code of Ordinances § 309-25), and satisfy other human-resource requirements (e.g. residency preference).

6. **City Costs and RACM Costs.** Notwithstanding anything to the contrary herein, the City's and RACM's costs (including Public Improvements, RACM's duties under Section 3 Environmental, and other RACM costs identified in the Project Plan for Tax Incremental District No. 65 and hereinafter referred to as "Project Costs") are capped at the lesser of (i) \$3,250,000 or (ii) the Increment Amount (the "Cap.") As used herein, "Increment Amount" shall be an amount determined as follows: If, according to the provisions in Section 3 (i) LEGACY cannot sell a sufficient number of Townhouses within the time periods specified therein, thereby reducing the number of single family or Townhouse units that LEGACY will develop to fewer than 68, RACM, after consultation with LEGACY, will determine the amount of incremental tax proceeds generated by such lesser number of units. RACM shall have no obligation to commit funds for Project Costs that are in excess of the Cap. RACM also reserves the right, after consultation with LEGACY, to prioritize, delete, defer, or eliminate any work described in the Project Plan in order to limit Project Costs and avoid spending an amount greater than the Cap.

(b) **RACM-City Cooperation.**

1. RACM and City will cooperate with one another to carry out their respective duties hereunder.

2. City will provide to RACM, from a source to be determined by the Common Council or the City Comptroller, funds for TID No. 65 expenditures that are: related to the Public Improvements; and contemplated by the TID Project Plan. RACM's Secretary, according to a procedure mutually agreed upon between the City Comptroller and RACM's Secretary, shall make those funds available upon requisition.

3. The City Comptroller shall review and approve the accounting and financial-reporting systems necessary to administer fund payments or transfers to RACM.

4. The City Comptroller shall, from time to time, as in the Comptroller's judgment and discretion are appropriate, review the receipts and expenditures of RACM or City, or LEGACY, or the Project or Public Improvements, or the fiscal and management operations in relation to the Project or Public Improvements. If the Comptroller elects, the Comptroller shall have full power to conduct an audit (or audits) or to have an audit (or audits) conducted so as to enable the Comptroller to provide a full accounting and report to the City's Common Council. The Commissioner, DPW, and RACM shall periodically, and also upon the Comptroller's request, keep the Comptroller advised with respect to the status of the Project and Public Improvements. Upon completion of the Project and Public Improvements, the Commissioner shall notify the Comptroller.

5. **Implementation of Project Plan.** Per Wis. Stat. § 66.1333(13) and § 66.1105(2)(f)(1)(h), and subject to the terms and conditions contained herein, RACM and City are participating to aid in the redevelopment of the Property, and they intend TID contributions contemplated hereby to be, among other things (including other eligible statutory "project costs" as defined in § 66,1105(f)), in connection with the implementation of the TID Project Plan, as amended.

SEC. 7. REDEVELOPMENT PLAN FOR THE NORTH 20TH AND WEST BROWN STREETS URBAN RENEWAL PROJECT.

The Property is in the North 20th & West Brown Streets Urban Renewal Project Area (the "Redevelopment Area"). LEGACY has received a copy of the Redevelopment Plan and agrees that the Property, Project, any Townhouse or condominium created at the Property, and any Subdivision and Homeowners Regulations and Restrictions, shall be subject to the Redevelopment Plan, as may from time to time be, amended.

SEC. 8 INTENTIONALLY DELETED.

SEC. 9. EBE REQUIREMENTS.

At Closing, LEGACY shall sign and enter into the EBE CONTRACT attached hereto as **Exhibit C** in conjunction with the City's Emerging Business Enterprise ("EBE") Program. LEGACY shall also require each Home Builder to sign and enter into an EBE CONTRACT. After completion of the Project, LEGACY shall report on LEGACY's use of EBE's in terms of the total number of EBE contractors LEGACY used and the dollar volume of such contracts, and as to whether the goals required in the EBE Contract were

met. Such information shall be provided in writing prior to or with LEGACY's request for a Certificate of Completion.

SEC. 10. CERTIFICATE OF COMPLETION.

Promptly after Completion of the Project in accordance with this Agreement and the Final Plans and Specs, LEGACY shall request that RACM issue a Certificate of Completion ("Certificate"). "Completion" shall mean the completion of construction of any combination of 68 single family and Townhouse units on the Property except that such number shall be reduced by any Townhouse Lots RACM cannot sell or attempts to sell to third parties pursuant to Section 3 (i). The Certificate shall be in form and substance materially the same as attached hereto as **Exhibit D** and shall be a conclusive determination of satisfaction and termination of the covenants in the Agreement and the Deed with respect to the obligations of LEGACY and its successors and assigns to construct the Project and the dates for beginning and completion thereof. Representatives of RACM shall inspect the Property within 30 days following receipt of LEGACY's request to determine if the work has been completed according to Final Plans and Specs and this Agreement. If the Property is determined to be in conformance, the request for the Certificate shall be presented to RACM for its formal approval at the next available regularly scheduled meeting of RACM. RACM shall execute such Certificate within 30 days of its authorization and shall present the Certificate for recording to the Register of Deeds at RACM's expense. If RACM shall refuse or fail to authorize the Certificate, RACM shall within 30 days of the Property inspection provide LEGACY with a written statement indicating in adequate detail how LEGACY has failed to complete the redevelopment of the Property in conformity with the Final Plans and Specs or this Agreement, or is otherwise in default, and what measures or acts are necessary, in the opinion of RACM, for LEGACY to take or perform in order to obtain the Certificate. Concurrent with RACM's consideration of the request for the Certificate, RACM shall in good faith consider return of the Deposit. All or part of the Deposit may be retained by RACM if the Project is not completed substantially according to the terms of this Agreement or if LEGACY is otherwise in material breach hereof. A check for the amount of Deposit authorized for return by RACM shall be provided within 10 days of authorization by RACM.

SEC. 11. RESTRICTIONS ON USE; OTHER COVENANTS

LEGACY agrees for itself, and its successors and assigns to:

- (a) Devote the Property only to and in accordance with the uses specified in the Redevelopment Plan and the Project as defined in this Agreement.
- (b) Not discriminate upon the basis of race, color, creed, sex, or national origin in the sale, lease or rental, or in the use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof.

(c) Comply with the regulations issued by the Secretary of Housing and Urban Development set forth in 37 C.F.R 22732-3 and all applicable rules and orders issued there under which prohibit the use of lead-based paint in residential structures undergoing federally assisted construction or rehabilitation and require the elimination of lead-based paint hazards.

(d) Comply with all requirements of the Americans with Disabilities Act of 1990, U.S.C. #12101, et. seq.

SEC. 12. BINDING UPON SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon the parties hereto and their successors and assigns. Notwithstanding the foregoing, and except as expressly provided in this Agreement, LEGACY may not assign this Agreement or its rights hereunder without the Commissioner's prior written consent.

SEC. 13. PROHIBITION AGAINST TRANSFER OF PROPERTY AND UPON ENCUMBRANCES.

(a) Prior to issuance of the Certificate, except as expressly permitted or required by this Agreement, neither LEGACY nor any successor in interest to the Property or to LEGACY's interest in this Agreement, shall make or create, or suffer to be made, any sale, assignment, conveyance, lease or transfer in any other form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or contract or agree to do any of the same, or 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 without the prior written approval of the Commissioner, provided that:

(b) LEGACY may assign or transfer to one or two of the three principals comprising LEGACY, or to an entity which has the substantially similar ownership as LEGACY in which case, however, LEGACY shall provide prior written notice of such to the Commissioner, and such a permitted assignee or transferee shall, in any event, take subject to the same terms and conditions contained herein;

(c) LEGACY may sell individual lots in the subdivision to be created hereunder and, if applicable, individual Townhouse units, to Home Builders who are experienced and qualified in the construction of residential properties, and who shall, upon completion of the home or Townhouse, sell it to individual owner-occupant purchasers who will take title subject to the terms of this Agreement and to the Redevelopment Plan (as amended), and, those individual purchasers may mortgage their

respective interests to lenders under customary residential-mortgage-financing arrangements (in the case of buyers of individual lots, each such buyer must, at the time of closing on its acquisition of title from LEGACY, also have a signed building contract for construction on the lot of the buyer's house);

(d) LEGACY shall require through its contracts, deeds, and other instruments with said Home Builders that all the terms and conditions of this Agreement shall be fully complied with.

(e) LEGACY may engage in financing and mortgage the Property to the extent necessary to obtain funds necessary for the construction, development, and completion of the Project.

The restrictions set forth in this Section shall terminate upon issuance of the Certificate.

SEC. 14. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.

Notwithstanding any of the provisions of this Agreement, including but not limited to those intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement (including any holder 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 thereafter obtains title to the Property or such part from or through such holder or (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself shall not be obligated by the provisions of this Agreement to complete the construction of the Project or to guarantee such construction; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder.

SEC. 15. FORCE MAJEURE.

Neither City, nor RACM nor LEGACY, nor any successor in interest, shall be considered in breach or default of their respective obligations hereunder in the event of forced delay in the performance of such obligations due to unforeseeable causes beyond the respective party's reasonable control and without its fault or negligence. The time for the performance of the obligations shall be extended for the period of the forced delay, as determined by the Commissioner, if the party seeking the extension shall request it in writing of the other party within 10 days after the beginning of the forced delay.

SEC. 16. REMEDIES.

(a) **In General.** Except as otherwise provided in this Agreement, in the event of any default or breach of the Agreement, or any of its terms or conditions, by any party hereto, or any successor to such party, such party or successor shall, upon written notice

from any other, cure or remedy such default or breach within 30 days after receipt of such notice -providing, however, that if the default or breach is one that cannot reasonably be cured within said 30 days, then the party in breach or default must diligently and faithfully pursue cure, and if the breach or default is not then remedied or cured within a reasonable time, or if the party in breach or default fails to faithfully and diligently pursue cure, then (in any of the events described above) the aggrieved party may institute such proceedings and/or take such actions to secure any rights as the aggrieved party may have available to it under law or in equity in response to such, including, but not limited to, bringing proceedings to compel specific performance by the party in default or breach of its obligations, and/or an action seeking damages. Neither the City nor RACM waive any protections available to municipalities and redevelopment authorities at law or in equity - including but not limited to, the protections under Wis. Stat. § 893.80.

(b) **Prior to Conveyance.** In the event that prior to the conveyance of all of the Property, excluding any Townhouse Lots RACM cannot sell or sells or attempts to sell to third parties pursuant to Section 3(i) hereof, LEGACY assigns or attempts to assign this Agreement or any rights hereunder or fails to pay the Purchase Price and take title to the Property upon RACM's attempt to tender conveyance, then this Agreement and any rights of LEGACY (or any assignee of LEGACY) in this Agreement may at the option of RACM be terminated by RACM and the Deposit retained by RACM as liquidated damages.

(c) **Revesting Title in RACM Subsequent to Conveyance to LEGACY.** In the event that subsequent to conveyance of the Property or any part thereof to LEGACY, and prior to issuance of the Certificate:

1. LEGACY shall default on or violate its obligations with respect to the Project (including the nature and the dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work or other work or actions of LEGACY required hereunder, and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within 90 days after written demand by the Commissioner so to do; or

2. LEGACY shall fail to pay real estate taxes or special assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy or attachment to be made, or any material men's or mechanics' lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the Commissioner made for such payment, removal, or discharge, within 90 days after written demand by the Commissioner so to do; or

3. There is any transfer of the Property or any part thereof in violation of this Agreement, and such violation is not cured within 60 days after written demand by the Commissioner;

then RACM shall have the right to reenter and take possession of such portions of the Property that are in default herein and are owned by LEGACY and remain unimproved and to terminate and revest in RACM such portion of the Property - subject, however, to the rights of (a) the lien of any mortgage authorized by this Agreement, and any right or interest provided in the Agreement for the protection of the holder of such mortgage; and (b) the interest of individual lot owners and individual Townhouse-unit owners and their respective mortgagees authorized by this Agreement. The intent of this provision, together with other provisions of this Agreement, is that the conveyance of the Property to LEGACY shall be made upon a condition subsequent to the conveyance that in the event of any default, failure, violation, or other action or inaction specified in subdivisions 1, 2, and 3 of this subsection, failure on the part of LEGACY 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, RACM, at its option, may declare a termination in favor of RACM of LEGACY's right, title and interest in and to the Property, and the same shall then revert to RACM; Provided, however, that such condition subsequent and any revesting of title as a result thereof in RACM shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way: (a) the lien of any mortgage authorized by this Agreement, and any right or interest provided in the Agreement for the protection of the holder of such mortgage; and (b) the interest of any purchaser of lots or Townhouse units and their respective mortgagees. In addition to the right of reentry and revesting of title provided for in the preceding sentence, upon the occurrence of a default, failure or violation by LEGACY as specified in said sentence, RACM shall also have the right to retain the Deposit as liquidated damages.

(d) **Other Rights and Remedies of RACM and City: No Waiver by Delay.** RACM and City shall have the right to institute such actions or proceedings as are available to either of them in law or equity to enforce the rights granted to them in this Section dealing with Remedies, including also the right to execute and record in the Milwaukee County Register of Deeds Office a written declaration of the termination of all the right, title and interest of LEGACY, and (subject to such mortgage liens, lot and Townhouse-unit owners, as provided in this Section), its successors in interest and assigns, in the Property, and the revesting of title thereto in RACM;

Provided, that any delay by RACM or City in instituting or prosecuting any such actions or proceedings or otherwise asserting any of their rights under this Agreement shall not operate as a waiver of such rights or to deprive RACM or City of or limit such rights in any way (it being the intent of this provision that RACM and City should not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of any of the remedies provided in this Agreement because of concepts of waiver, laches, or

otherwise to exercise such remedies at a time when RACM or City may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by RACM or City with respect to any specific default by LEGACY under this Agreement be considered or treated as a waiver of the rights of RACM or City with respect to any other defaults by LEGACY under this Agreement or with respect to the particular default except to the extent specifically waived in writing.

(e) Notwithstanding the foregoing, LEGACY shall not be in default of this Agreement or any of LEGACY's obligations hereunder if any purchaser of lots or Townhouse units from LEGACY fails to comply with the terms and conditions of this Agreement.

SEC. 17. RESALE OF REACQUIRED PROPERTY: DISPOSITION OF PROCEEDS.

Upon the revesting in RACM of title to the Property or any part thereof as provided in the Section above, RACM shall resell the Property or part thereof (subject to such mortgage liens and interests of lot owners and Townhouse-unit owners as in Section 16 set forth and provided) as soon and in such manner as RACM shall find feasible and consistent with the objectives of applicable law and of the Redevelopment Plan to a qualified and responsible party or parties (as determined by RACM) who will either: (1) assume the obligation of making and completing the Project as shall be satisfactory to RACM and in accordance with the uses specified for such Property or part thereof in the Redevelopment Plan; or (2) agree to undertake such other project at the Property as shall be consistent with the Redevelopment Plan (or, alternatively, the Project with such modifications to which RACM may agree). Upon such resale of the Property the proceeds thereof shall be applied:

(a) First, to pay the holder of such mortgage liens and interests of lot owners and Townhouse-unit owners;

(b) Second, to reimburse RACM, on its own behalf or on behalf of the City, for all costs and expenses incurred by RACM or City, including, but not limited to, salaries of personnel in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by RACM from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by RACM, an amount, if paid, equal to such taxes, assessments or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in RACM or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of LEGACY, any expenditures made or obligations

incurred with respect to the making or completion of the Project or any part thereof, or the Public Improvements or any part thereof, on the Property or part thereof, and any amounts otherwise owing RACM or City by LEGACY; and

(c) Third, to the extent proceeds remain, to reimburse LEGACY up to the amount equal to the sum of the Purchase Price paid by it for the Property (or allocable to the part thereof) and, to the extent proceeds remain, and the fair market value of improvements that LEGACY constructed on the Property as of the date of the reversioning in RACM of title to the Property (or allocable part thereof), less any gains or income withdrawn or made by LEGACY from the Agreement or the Property.

SEC. 18. CONFLICT OF INTEREST; RACM'S AND CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

No member, official or employee of RACM or 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 RACM or City shall be personally liable to LEGACY or any successor in interest in the event of any default or breach by RACM or City or for any amount which may become due to LEGACY or successor or on any obligations under the terms of this Agreement.

SEC. 19. PROVISIONS NOT MERGED WITH DEED.

No provision of this Agreement is intended to or shall be merged by reason of any deed transferring title to the Property (or any part thereof) from RACM to LEGACY or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Likewise, unless otherwise expressly agreed to by the parties in writing, no termination of this Agreement by RACM or by City or by LEGACY shall terminate any party's duties hereunder to indemnify, release, or hold any other party or parties harmless as such duties are specified herein.

SEC. 20. SPECIAL NONDISCRIMINATION PROVISIONS.

(a) **Nondiscrimination.** LEGACY will not discriminate against any employee or applicant to LEGACY for employment because of race, color, religion, sex or national origin. LEGACY will take affirmative action to ensure that applicants to LEGACY that are employed by LEGACY are treated during employment with LEGACY, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, promotion or transfer;

recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. LEGACY agrees to post in conspicuous places, available to LEGACY's employees and applicants for employment, notices to be provided by RACM or the Wisconsin Department of Industry, Labor and Human Resources setting forth the provisions of this nondiscrimination clause. In the event that LEGACY does not have any employees, then LEGACY shall not be required to post such notices,

(b) **Nondiscrimination Clause in Contracts.** LEGACY will include the provisions of Paragraph (a) in every construction contract it enters into for this Property, and will require the inclusion of these provisions in every subcontract entered into by any of its contractors, so that such provisions will be binding upon each such contractor or subcontractor, as the case may be.

SEC. 21. INDEMNIFICATION.

To the fullest extent permitted by law, each party agrees to defend, indemnify, and hold harmless the other party, and their respective members, officers, agents and employees, from and against all claims, demands, damages, liability, suits, judgments and decrees, attorney's fees, losses, costs and expenses of any kind or nature whatsoever that may come or be asserted against the other party on account of (a) the City's (or anyone claiming by, through, or under the City) preacquisition ownership or operation of the Property; (b) LEGACY's (or anyone claiming by, through, or under LEGACY) preacquisition entry onto or investigations at the Property; (c) a party's (or anyone claiming by, through, or under such party, including such party's contractors and subcontractors) own acts or omissions (whether negligent, willful, or otherwise); (d) a party's breach of this Agreement in the event that such party fails to cure any breach after notice of breach has been sent to such party as required hereunder and the applicable cure period has expired; and (e) if such party does not fulfill its obligations under this Agreement, including without limitation, the City's obligations for environmental and subsoil remediation. The provisions in this Section shall survive the completion of the Project and the recording of the Certificate.

SEC. 22. INTENTIONALLY OMITTED.

SEC. 23. AUDIT RIGHTS.

LEGACY shall keep accurate, full and complete books and accounts with respect to LEGACY's cost of developing, constructing, and completing the Project and carrying out its duties hereunder, consistent with the Commissioner-approved budget, and shall include a provision in all of LEGACY's contracts with contractors working on the Property requiring such contractors to do the same. LEGACY shall also keep accurate, full and complete books and accounts with respect to the marketing and sale of lots and

Townhouse units. All the books and accounts required to be kept hereunder shall be maintained in accordance with generally accepted accounting principles consistently applied, and shall be kept for a period of three years subsequent to the date of their respective creation. The City Comptroller shall have the right, upon reasonable notice to LEGACY, its contractors, or subcontractors, as the case may be, to examine the books and accounts of LEGACY, its contractors, and subcontractors during normal hours of business.

SEC. 24. ENTIRE AGREEMENT; AMENDMENTS.

This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof. This Agreement may only be amended in writing signed by all the parties hereto.

SEC. 25. COUNTERPARTS.

The Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument.

SEC. 26. RACM EXECUTIVE DIRECTOR/COMMISSIONER.

Whenever a specific consent, approval, or satisfaction of RACM or the Commissioner is required to be obtained by LEGACY from RACM or the Commissioner under the terms of this Agreement, then LEGACY shall seek such from RACM's Executive Director (or his or her designee) who is and shall be the same person as the Commissioner of the City's Department of City Development (or acting-Commissioner as the case may be) (or his or her designee).

SEC. 27. PUBLIC RECORDS.

This Agreement and certain documents relating thereto are, or may be, subject to Wisconsin's Public Records Law (see Wis. Stat. Ch. 19, Subch. II, and, esp. Wis. Stat. § 19.36(3) which includes records produced or collected under this Agreement). LEGACY agrees to cooperate with City and RACM in the event City or RACM receives a request under Wisconsin's Public Records Law for this Agreement or for any record relating to, or produced or collected under, this Agreement.

SEC. 28. WAIVER.

No delay, waiver, omission or forbearance on the part of any party to exercise any right, option, duty or power arising out of any breach or default by any other party of any of the terms, provisions or covenants contained herein, shall be deemed a waiver by that

party of such right, option, or power, as against the other party for any subsequent breach or default by that party.

SEC. 29. GOVERNING LAW.

This Agreement shall be construed according to the laws of Wisconsin.

SEC. 30. SEVERABILITY OF PROVISIONS.

If any of the terms or provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions and conditions of this Agreement, or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby, and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.

SEC. 31. CAPTIONS.

The captions in this Agreement are for convenience and reference, and in no way define or limit the scope or intent of the various provisions, terms, or conditions hereof.

SEC. 32. NOTICES.

Notices required to be sent under this Agreement shall be in writing and given either by personal delivery, by certified mail postage prepaid, or by facsimile or email to the following individuals. Notices personally delivered shall be deemed delivered upon actual receipt or upon refusal to accept delivery. Notices sent by certified mail shall be deemed delivered two business days after mailing. Notices sent by facsimile or email shall be deemed delivered on the date of sending-providing, however, (i) any such notice is (and must be) sent between the hours of 9:00 A.M. and 4:00 P.M. on business days that the City's City Hall is open for business; and (ii) no error or similar message indicating inability to send is prompted by the sending of such notice by facsimile or by email. Notice recipient and sending information may be changed from time to time by sending written notice of the same to all parties in accordance with this paragraph.

- (a) **If to RACM or City or the Commissioner:**
Executive Director of RACM and DCD Commissioner
809 North Broadway
Milwaukee, Wisconsin 53202
Phone: (414) 286-5800
Facsimile: (414) 286-5467
Email: rmarco@milwaukee.gov

Any notice sent to RACM or City shall be simultaneously sent and sent by the same manner to each of:

James Sayers
Department of City Development
809 North Broadway
Milwaukee, WI 53202
Phone: (414) 286-5723
Facsimile: (414) 286-0395
Email: jsayer@mkedcd.org

And to:

Dave Windsor
Department of Public Works
841 North Broadway
Milwaukee, WI 53202
Phone: (414) 286-0459
Facsimile: (414) 286-3693
Email: dwinds@mpw.net

And to:

Kevin P. Sullivan
Assistant City Attorney
800 City Hall
200 East Wells Street
Milwaukee, WI 53202
Phone: (414) 286-2625
Facsimile: (414) 286-8550
Email: Ksulli@milwaukee.gov

(b) If to LEGACY:

Any notice sent to LEGACY shall be simultaneously sent and sent by the same manner to:

Irgens Development Partners, LLC
10201 Innovation Drive, Suite 600
Milwaukee, Wisconsin 53226
Attn: Mark F. Irgens
Phone: (414) 443-0700
Facsimile: (414) 443-2559
Email: mirgens@irgensllc.com

Williams Development Corporation
648 North Plankinton Avenue
Milwaukee, Wisconsin 53203
Attn: William Orenstein
Phone: (414) 272-7700
Facsimile: (414) 272-2904
Email: bill@williamsdevelopment.com

Legacy Midwest Renewal Corporation
2102 West Fond du Lac Avenue
Milwaukee, Wisconsin 53206

Attn: Sally R. Peltz
Phone: (414) 343-6900
Facsimile: (414)
Email: speltz@legacybancorp.com

With a copy to:

Bret A. Roge, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue, Suite 3300
Milwaukee, Wisconsin 53202-4108
Phone: (414) 271-6560
Facsimile: (414) 277-0656
Email: baroge@michaelbest.com

IN WITNESS WHEREOF, LEGACY, RACM, and City have caused this Agreement to be signed and entered into as of this 26 day of July, 2007.

RACM: REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

By: [Signature]

Name Printed: JOEL T. BRENNAN

Title: Assl. Exec. Director

Attest: Kathryn M. West

Name Printed: Kathryn M. West

Title: Chair

LEGACY DEVELOPMENT PARTNERS, LLC

By: Legacy Midwest Renewal Corporation, its Administrative Member

By: [Signature]

Name Printed: Sally R. Peltz

Title: President

Attest: [Signature]

Name Printed: Lark Wasserman

Title: COO

CITY: CITY OF MILWAUKEE

By: [Signature]

Tom Barrett, Mayor

Attest: [Signature]

Ronald Leonhardt, City Clerk

Countersigned by Comptroller's Office:

Name Printed: [Signature]

Title: SPECIAL DEPUTY

APPROVED BY City Attorney's Office (Milw. Code of Ordinances § 304-41)

By: [Signature]

Assistant City Attorney

1089-2006-240:106758

Exhibit A

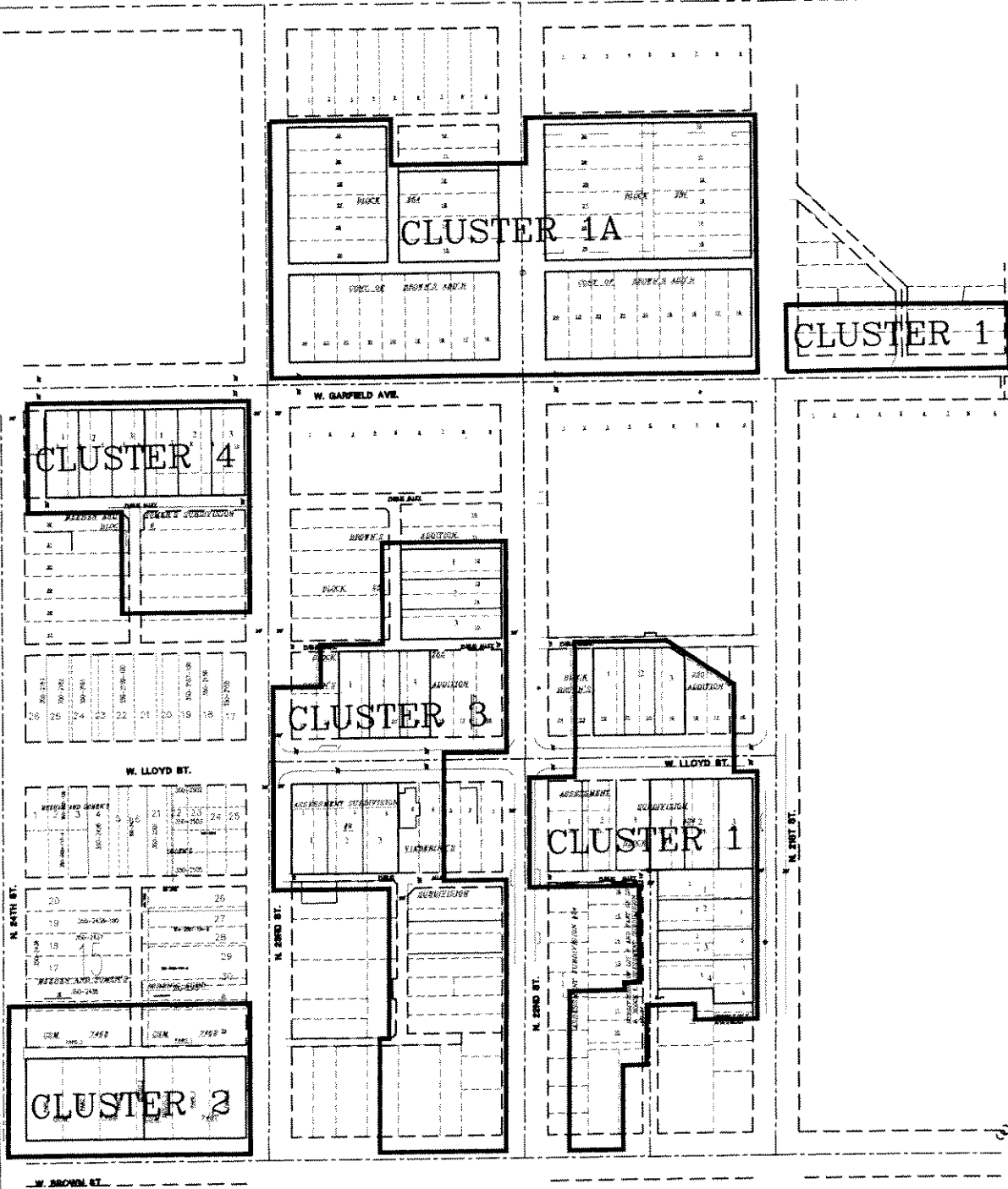
List of property RACM will sell to LEGACY and Cluster Map:

TAXKEY	HSE_NBR	HSE_NBR	SFX	DIR	ST_NAME	TYPE	OWNER_NAME_1	CLUSTER
3500003000	2225	2227		W	LLOYD	ST	CITY OF MILW	3
3500004000	2219	2223		W	LLOYD	ST	CITY OF MILW	3
3500505100	2119	2121		W	LLOYD	ST	CITY OF MILW	1
3500519000	2115	2115		W	LLOYD	ST	CITY OF MILW	1
3500520000	2113	2113		W	LLOYD	ST	CITY OF MILW	1
3500521000	2107	2109		W	LLOYD	ST	CITY OF MILW	1
3500522000	2101	2105		W	LLOYD	ST	CITY OF MILW	1
3500876110	2124	2124		W	LLOYD	ST	CITY OF MILW	1
3500962100	2127	2129		N	22ND	ST	CITY OF MILW	3
3500965000	2113	2113		N	22ND	ST	CITY OF MILW	3
3500972000	2224	2226		W	LLOYD	ST	CITY OF MILW	3
3500973000	2232	2234		W	LLOYD	ST	CITY OF MILW	3
3502139000	2331	2333		W	GARFIELD	AV	CITY OF MILW	4
3502141000	2325	2325		W	GARFIELD	AV	CITY OF MILW	4
3502142000	2321	2323		W	GARFIELD	AV	CITY OF MILW	4
3502148100	2145	2145		N	23RD	ST	CITY OF MILW	4
3502150100	2135	2137		N	23RD	ST	CITY OF MILW	4
3502151100	2131	2133		N	23RD	ST	CITY OF MILW	4
3502704110	2030	2030		N	21ST	LA	CITY OF MILW	1
3502712000	2126	2126		W	BROWN	ST	CITY OF MILW	1
3502713000	2021	2023		N	21ST	LA	CITY OF MILW	1
3502804110	2029	2029		N	21ST	ST	CITY OF MILW	1
3503007110	2039	2039		N	22ND	ST	CITY OF MILW	3
3503011100	2212	2212		W	BROWN	ST	CITY OF MILW	3
3500001000	2235	2235		W	LLOYD	ST	MILW HOUSING AUTH	3
3500002000	2231	2231		W	LLOYD	ST	MILW HOUSING AUTH	3
3500020110	2009	2013		N	22ND	ST	CITY OF MILWAUKEE	3
3500020120	2204	2206		W	BROWN	ST	CITY OF MILWAUKEE	2
3500504110	2123	2123R		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500507000	2054	2056		N	22ND	ST	CITY OF MILWAUKEE	1
3500518100	2127	2127R		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500523000	2049	2049		N	21ST	ST	CITY OF MILWAUKEE	1
3500603000	2027	2027A		N	22ND	ST	CITY OF MILWAUKEE	3
3500813100	2008	2008		W	GARFIELD	AV	CITY OF MILWAUKEE	1
3500814100	2200	2200		N	21ST	ST	CITY OF MILWAUKEE	1
3500871200	2104	2104		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500872100	2108	2108		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500873100	2114	2114		W	LLOYD	ST	CITY OF MILWAUKEE	1

TAXKEY	HSE_NBR	HSE_NBR	SFX	DIR	ST_NAME	TYPE	OWNER_NAME_1	CLUSTER
3500874000	2116	2116		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500875000	2120	2120		W	LLOYD	ST	CITY OF MILWAUKEE	1
3500892110	2239	2239		N	21ST	ST	CITY OF MILWAUKEE	1A
3500898100	2102	2102		W	GARFIELD	AV	CITY OF MILWAUKEE	1A
3500914100*	2235	2235		W	NORTH	AV	CITY OF MILWAUKEE	1A
3500963000	2123	2123		N	22ND	ST	CITY OF MILWAUKEE	3
3500964000	2119	2121		N	22ND	ST	CITY OF MILWAUKEE	3
3500966000	2202	2202		W	LLOYD	ST	CITY OF MILWAUKEE	3
3500970000	2218	2218		W	LLOYD	ST	CITY OF MILWAUKEE	3
3500971000	2222	2222		W	LLOYD	ST	CITY OF MILWAUKEE	3
3502140000	2329	2329		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502143000	2317	2319		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502144100	2313	2313		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502145000	2309	2309		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502146000	2305	2305		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502147000	2301	2301		W	GARFIELD	AV	CITY OF MILWAUKEE	4
3502801000	2043	2043		N	21ST	ST	CITY OF MILWAUKEE	1
3503004000	2213	2213		W	LLOYD	ST	CITY OF MILWAUKEE	3
3503007120	2041	2041		N	22ND	ST	CITY OF MILWAUKEE	3
3503825000	2019	2019		N	23RD	ST	CITY OF MILWAUKEE	2
3503826000	2023	2023		N	23RD	ST	CITY OF MILWAUKEE	2
3503831000	2018	2018		N	24TH	ST	CITY OF MILWAUKEE	2
3503832000	2020	2020		N	24TH	ST	CITY OF MILWAUKEE	2
3503841000	2312	2312		W	BROWN	ST	CITY OF MILWAUKEE	3
3503842000	2302	2302		W	BROWN	ST	CITY OF MILWAUKEE	2
3503843000	2318	2318		W	BROWN	ST	CITY OF MILWAUKEE	2
3503845000	2332	2332		W	BROWN	ST	CITY OF MILWAUKEE	2
3503846000	2328	2328		W	BROWN	ST	CITY OF MILWAUKEE	2
3503847000	2322	2322		W	BROWN	ST	CITY OF MILWAUKEE	2
3503848000	2320	2320		W	BROWN	ST	CITY OF MILWAUKEE	2
3500506100	2058	2060		N	22ND	ST	NEIGHBORHOOD IMPROVEMENT	1

*per cluster map

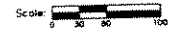
REVISION: 5/24/2007 10:41:15 AM
 LAST SAVE DATE: 5/25/2007
 PLOT DATE/TIME: 5/25/2007 8:36 AM
 PLOTTED BY: RASHA ROBERTSON



LEGEND

PARCELS TO BE ACQUIRED BY LEGACY

INFORMATION SHOWN AS COLLECTED FROM RECORD DATA SOURCES AND SHOULD ONLY BE USED FOR GENERAL PURPOSES



KAPUR & ASSOCIATES, INC.
 CONSULTING ENGINEERS
 MILWAUKEE, WISCONSIN
 414.351.6688

PARCELS TO BE ACQUIRED & CLUSTERS

LEGACY PROJECT
 N. FOND DU LAC AVE & W. NORTH AVE.

DRAWN BY: RK	CHECKED BY: CAP	APPROVED BY: YEK	PROJECT NUMBER: 06475.424	DATE: 5/24/2007	ISSUED DATE:
--------------	-----------------	------------------	---------------------------	-----------------	--------------

Exhibit B

Title Commitment Numbers from Chicago Title:

1209312	1209429
1209313	
1209314	1209432
1209315	
	1209437
1209317	
1209318	1209439
1209322	1209440
1209323	1209441
1209324	1209442
1209325	
	1209444
1209327	1209445
1209328	1209446
	1209447
1209350	1209448
1209351	1209449
1209353	1209451
1209354	1209452
1209355	1209453
1209356	1209454
	1209455
1209361	1209456
1209362	1209457
1209363	
1209364	1209465
	1209466
1209366	1209467
	1209468
1209368	
	1209470
1209407	1209471
1209408	1209472
1209409	1209473
1209410	1209474
1209411	1209475
1209412	1209477

1209415
1209416
1209417
1209418
1209419

1209424

1209426

1209428



1209478

1209478

Exhibit C

Right of Entry Insurance Requirements

Insurance Requirements. The following required insurance coverages that must be approved by the City Attorney's office before entry onto parcel. Insurance companies or available office reinsurance should be an A.M. Best rating of A or better.

A. Workers' Compensation and Employers Liability

Workers' Compensation	Statutory
Employers Liability	\$100,000
Bodily Injury by Accident	each accident \$100,000
Bodily Injury by Disease	each employee \$500,000 policy limit

B. General Liability

Bodily Injury/Property Damage	
each occurrence	\$1,000,000
general aggregate	\$1,000,000
products/completed	
operations aggregate	\$1,000,000
Personal Injury	
aggregate	\$1,000,000

To include

- Continental General Liability Insuring Agreement
- Premises operations protection
- Products/completed operations coverage including continuation of coverage for four years after work is completed
- Independent contractor's protection
- Contractual liability coverage for risks assumed in this agreement
- General aggregate limit to apply per job site

C. Automobile

(Confirmation of coverage in this hazard area is only required if vehicles are used by the contractor to provide the described service.)

Bodily Injury/Property Damage	
each accident	\$1,000,000
Uninsured Motorists/Underinsured	
Motorists Coverage	
each accident	\$1,000,000

To Include

- Coverage for all owned, non-owned and hired vehicles
- Broadened Pollution Coverage Endorsement
- MCS-90 Endorsement

D. Umbrella
Bodily Injury/Personal Injury/
Property Damage

each occurrence	\$2,000,000
aggregate	\$2,000,000

To Include

- True Umbrella Insuring Agreement which applies over the underlying
- General Liability, Auto Liability and Employers Liability coverages

E. Professional Liability and Pollution/Environmental Impairment Liability
(The Contractor, and all subcontractors, must certify to the types and amounts of Pollution/EIL coverages that follow. Further, subcontractors must file evidence of insurance before the project begins.)

Professional Liability

Wrongful Act each claim	\$2,000,000
aggregate	\$4,000,000

To include

- Confirmation that coverage will be continued for a four-year period after expiration of the contract
- No change in the retro date during the contract and extension period. If a retro date change is unavoidable, the contractor will exercise the extended reporting (buyout) option with no cost effect on RACM or the City of Milwaukee.

Pollution/Environmental Impairment Liability

Wrongful Act	
each claim	\$1,000,000
aggregate	\$2,000,000

To Include

- Confirmation that the coverage will be continued for a four-year period after expiration of the contract
- No change in the retro date during the contract and extension period. If a retro date change is unavoidable, the contractor will exercise the extended reporting (buyout) option with no cost effect on the City of Milwaukee.
- Protection for sudden and accidental occurrences
- Remediation protection associated with any incident caused by or contributed to by the contractor
- Removal of any limiting language related to the transportation of wastes/hazardous material from site
- Removal of any language associated with incidents related to or involving underground storage tanks

EXHIBIT D

EBE Agreement

This Emerging Business Enterprise Agreement is entered into by and between the CITY, RACM, and LEGACY:

WHEREAS, the parties to this Agreement acknowledge that this Agreement is required pursuant to the terms of the Development Agreement dated _____, 2007 by and among the City of Milwaukee ("the City"), Legacy Development Partners, LLC ("LEGACY"), and the Redevelopment Authority of the City of Milwaukee ("RACM"); and

WHEREAS, under the Development Agreement, LEGACY is obligated to construct and complete the Project on the Property (as the terms "Project" and "Property" are defined in the Development Agreement); and

WHEREAS, LEGACY acknowledges that the CITY has established policies regarding the utilization of Emerging Business Enterprises ("EBEs") consistent with Chapter 360 of the Milwaukee Code of Ordinances; and

WHEREAS, LEGACY acknowledges that City and RACM entry into the Development Agreement, and TID financing for Public Improvements (as defined in the Development Agreement) were conditioned upon the LEGACY and its agents agreeing to reach a requirement of 25% EBE participation in the construction of the Project.

I. DEFINITIONS

A. EMERGING BUSINESS ENTERPRISE ("EBE") is a small business concern that is owned, operated and controlled by one or more individuals who are at a disadvantage, as defined in Chapter 360 of the Milwaukee Code of Ordinances. The individuals must have day-to-day operational and managerial control, interest in capital, financial risks and earnings commensurate with the percentage of their ownership. Emerging Business Enterprises are certified as such by the City of Milwaukee Certification Program. **It is important to note that those businesses that were certified under the old name (Disadvantaged Business Enterprise (DBE)) will continue to qualify for the program.**

B. JOINT VENTURE is an association of two (2) or more persons or businesses to carry out a single business enterprise for profit for which purpose they combine their property, capital, efforts, skills and/or knowledge.

II. EMERGING BUSINESS ENTERPRISE PROGRAM

This Agreement requires LEGACY, in developing and constructing the PROJECT, to utilize Emerging Business Enterprises, as defined in Chapter 360, Milwaukee Code of Ordinances, ("EBEs") for an amount equal to 25% of the total PROJECT costs deemed eligible pursuant to City's EBE guidelines.

A. When LEGACY selects Home Builders, and if LEGACY hires a general contractor to build town houses, and when LEGACY awards other contracts for the PROJECT, LEGACY shall:

1. Advertise in general circulation and trade association media, as well as in community newspapers regarding home building and including subcontracting opportunities. Advertising in the Daily Reporter and two other publications shall be the minimum acceptable level of performance **(Exhibit 1)**.
2. Provide interested EBEs and the agencies listed in **Exhibit 2**, with adequate information about the PROJECT;
3. Submit **EBE Participation Form A (Exhibit 3)** to EBEP. This form must be submitted with the prime contractor's bid.
4. Conduct an informational meeting in the community, providing an overview of the project and contracting opportunities.
5. Provide written notice to all pertinent construction trades and professional services EBEs listed in the current City of Milwaukee Directory, soliciting their services and allowing those businesses to participate effectively in the PROJECT. To identify EBEs for the PROJECT, utilize the current Official City of Milwaukee EBE Directory published by the City of Milwaukee Emerging Business Enterprise (EBE) Program. The directory can be accessed on-line at: www.ci.mil.wi.us/cigov/doa/sp/ebep/ebedirectoryv.htm
6. Follow-up with EBEs who show an interest in the PROJECT during the initial solicitation process **(See Exhibit 4 EBE Solicitation Form)**.
7. Select trade and professional service areas for EBE awards wherein the greatest number of EBEs exist to perform the work. Thereby, the likelihood of contracts or subcontracts being awarded to EBE businesses should increase. Include where appropriate, the breaking down of contracts or subcontracts into smaller, economically feasible units to facilitate EBE participation.

8. Negotiate in "good faith" with interested EBEs, not rejecting EBE bids as unqualified or too high without sound reasons based on a thorough review of the bid submitted and maintain documentation to support the rejection of any EBE bid. Bids that are not cost effective, and/or time prohibitive will be considered "rejectable" bids. **(See Exhibit 5 Bid Rejection Form).**

9. Include in PROJECT bid documents and advertisements an explanation of PROJECT requirements for EBE participation to prospective contractors and subcontractors.

10. As necessary and when ever possible, facilitate the following:

a) Joint ventures, limited partnerships or other business relationships intended to increase EBEs' areas of expertise, bonding capacity, credit limits, etc.

b) Training Relationships

c) Mentor / protege Agreements

11. Throughout the project, demonstrate an ongoing commitment to maximizing EBE participation.

B. If the LEGACY completes the aforementioned activities and demonstrates "good cause" for not meeting the 25% requirement for EBE participation, it shall be deemed that the LEGACY has acted in "good faith" to achieve the requirement.

C. If the LEGACY meets or exceeds the 25% EBE requirement in conjunction with said PROJECT, it shall be deemed that the LEGACY has achieved or exceeded the CITY's EBE requirement, for the purposes of fulfilling the terms of this Agreement.

D. Contract or subcontract amounts awarded to EBE suppliers, that do not manufacture products they supply, may only be counted for up to 20% of the 25% EBE participation requirement. In addition, 20% of the trucking performed by a non-EBE firm that is a sub to an EBE firm will be counted towards the overall trucking total.

III. LEGACY agrees to report to the City's EBEP Manager on LEGACY's utilization of EBEs in its contracting activities for the PROJECT, pursuant to Chapter 360 of the Milwaukee Code of Ordinances. In order to monitor the EBE participation in the Project, the CITY requires, and LEGACY agrees to take the following steps:

A. Provide a list of all categories of work on the PROJECT with budget allowances, for which bids will be solicited and highlight those categories, based upon LEGACY's knowledge and experience, which are conducive to EBE participation one month prior to any bids being solicited or awarded.

B. Provide the City's EBEP Office with documentation supporting efforts extended to solicit bids from EBEs. Upon request, LEGACY shall make information related to EBE bids available to the City's EBEP Office.

C. Submit an EBE Monthly Report Form D to EBEP the 20s' of each month on the form attached as **Exhibit 6**. Also submit EBE Subcontractor Payment Form (**Exhibit 7**) with the final Form D.

IV. The CITY may impose any or all of the sanctions set forth in Section 360-08, Milwaukee Code of Ordinances, for violation of this Agreement, namely:

(1) Termination, suspension or cancellation of the contract in whole or in part.

(2) Denial to participate in any further contracts awarded by the City.

In addition, the LEGACY may be liable for liquidated damages to the CITY for that percentage of the total PROJECT dollars, which represent the difference between the EBE participation requirement herein defined and the actual EBE participation attained during the PROJECT. Prior to the imposition of any liquidated damages hereunder, the CITY must demonstrate that the LEGACY failed to undertake the actions set forth in sec. II.A. of this Agreement in attaining EBE participation in said PROJECT.

IN WITNESS WHEREOF, the parties have executed this EBE Agreement as of this _____ day of _____, 2007.

CITY:

CITY OF MILWAUKEE

By: _____
Tom Barrett, Mayor

Attest: _____
Ronald Leonhardt, City Clerk

Countersigned by Comptroller's Office:

Name Printed: _____
Title: _____

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

By: _____

Attest: _____

APPROVED BY City Attorney's Office (Milw. Code of Ordinances § 304-41)

By: _____
Assistant City Attorney

LEGACY DEVELOPMENT PARTNERS, LLC:

By: [Signature]
Name Printed: Bally Felt
Title: Administrative Member
Attest: [Signature]
Name Printed: JAMES SAYERS
Title: DCD

NOTE:
ALL EXHIBITS AND EXAMPLES REFERRED TO HEREIN ARE AVAILABLE FROM THE CITY'S EBE OFFICE AND WILL BE REQUIRED TO BE APPENDED TO THE ACTUAL EBE AGREEMENT ENTERED INTO BY THE PARTIES. SEE, ALSO, WWW.CLMILWLUS/CITYGOV/DOA/SP/EBEP/EBEP.

EXHIBIT 1 TO EBE AGREEMENT

PUBLICATIONS/ADVERTISING CONTACTS

Milwaukee Times
(Published weekly)
2216 North King Drive
Milwaukee, WI 53212
Tele. No: (414) 263-5088
Fax: (414) 263-4445
Contacted _____yes _____no
Contact Person _____
Date and Time _____

The Milwaukee Courier
(Published weekly)
2431 West Hopkins Street
Milwaukee, WI 53206
Tele No: (414) 449-4860
Fax: (414) 449-4872
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Milwaukee Community Journal, Inc.
(Published twice weekly)
3612 North King Drive
Milwaukee, WI 53212
Tele No: (414) 265-5300
Fax: (414) 265-1536
Contacted _____yes _____no
Contact Person _____
Date and Time _____

The Spanish Times, Inc.
(Published weekly)
505 South 5th Street
Milwaukee, WI 53204
Tele No: (414) 276-0222
Fax: (414) 276-0703
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Daily Reporter
(Published daily M-F)
704 West Wisconsin Avenue
Milwaukee, WI 53233
Tele No: (414) 276-0273
Fax: (414) 276-8057
Contacted _____yes _____no
Contact Person _____
Date and Time _____

EXHIBIT 2 TO EBE AGREEMENT
COMMUNITY AGENCY CONTACTS

Milwaukee Urban League
2802 West Wright Street
Milwaukee, WI 53210
(414) 374-5850
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Hmong Chamber of Commerce
3726 W. National Avenue
Milwaukee, WI 53215
(414)649-8331
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Milwaukee Minority Chamber of Commerce
509 West Wisconsin Avenue, Suite 606
Milwaukee, WI 53203
(414) 226-4105
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Lao Family, Inc.
2331 W. Vicau Place
Milwaukee, WI 53208
(414) 385-3380
Contacted _____yes _____no
Contact Person _____
Date and Time _____

Hispanic Chamber of Commerce
816 West National Avenue
Milwaukee, WI 53204
(414) 643-6963
Contacted _____yes _____no
Contact Person _____
Date and Time _____

National Minority Contractors' Association
4380 North Green Bay Avenue
Milwaukee, WI 53209
(414) 265-5800
Contacted _____yes _____no
Contact Person _____
Date and Time _____

African American Chamber of Commerce
6203 W. Capitol Drive
Milwaukee, WI 53216
(414) 462-19450
Contacted _____yes _____no
Contact Person _____
Date and Time _____

EXHIBIT 3 TO EBE AGREEMENT

EBE Participation Form

CITY OF MILWAUKEE - DEPARTMENT OF ADMINISTRATION

EMERGING BUSINESS ENTERPRISE PROGRAM

EBE PARTICIPATION FOR SUBCONTRACTORS AND/OR MATERIAL SUPPLIERS

PRIME CONTRACTOR'S NAME: _____ CONTRACT NAME OR
NUMBER: _____

START DATE: _____ TOTAL BID AMOUNT: _____ TOTAL EBE AMOUNT

_____ Please list below **all** proposed subcontractor(s) and/or material supplier(s) for this project.

EBE FIRM(S) NAME ADDRESS/CONTACT PERSON AND PHONE NUMBER	% OF BID	SUB-CONTRACTOR/OR SUPPLIER	WORK PERFORMED/ MATERIAL SUPPLIED	AMOUNT	AUTHORIZED EBE(S) OWNER/REPRESENTATIVE SIGNATURE OF ACKNOWLEDGMENT
1.					
2.					
3.					
4.					

Authorized Signature: _____ Print Name & Title: _____

RETURN THIS FORM TO DOA-EMERGING BUSINESS ENTERPRISE PROGRAM
THIS FORM MUST BE SUBMITTED WITH THE PRIME CONTRACTORS BID.

EXHIBIT 4 TO EBE AGREEMENT

**EMERGING BUSINESS ENTERPRISE (EBE)
SOLICITATION FORM**

Name and address of EBE Firm:

Name of individual contacted _____

Title of individual contacted _____

Type of work _____

Quotation or Proposal Received _____

REMARKS: THESE SHOULD INCLUDE ANY FOLLOW UP ACTIONS. IN THE EVENT THAT THE EMERGING BUSINESS ENTERPRISE WILL NOT BBE UTILIZED, INCLUDE AND EXPLANATION OF THE REASON(S) WHY THE FIRM WILL NOT BE USED. FOR EXAMPLE: IF THE ONLY REASON FOR NON-UTILIZATION WAS PRICE, THE EXPLANATION SHOULD REFLECT WHAT STEPS WERE TAKEN TO REACH A COMPETITIVE PRICE LEVEL.

REMARKS:

EXHIBIT 5 TO EBE AGREEMENT

Emerging Business Enterprise Program (EBEP)

Rejection Form

Name & Address of EBE Firm	Type of Work	Bid Submitted by EBE	Actual Award	Reason for bid rejection	Approved by
1.					
2.					
3.					
4					
5.					

EXHIBIT 6 TO EBE AGREEMENT
DEPARTMENT OF ADMINISTRATION
EMERGING BUSINESS ENTERPRISE PROGRAM

Form D - EBE MONTHLY REPORT

(1) Report for the Month of _____ (Final: yes ___ no ___)

(2) Prime Contractor/Firm _____

(3) Full Address & Phone Number: _____

(4) Description of service performed and/or material supplied _____

(5) Purchase Order /Contract# _____ (6) Project Number _____

(7) Start Date: _____ (8) Prime Contractors Total \$: _____

(9) Completion Date: _____ (10) Prime Contractor YTD \$: _____

(11) EBE % goal _____ and \$ goal _____

List all EBE subcontractor firm(s) utilized in connection with the above contract, either as service performed and/or supplier for the month. This form shall be signed and returned. **If this represents the final report, be sure to attach EBE Payment Certification Form (Form E).**

NAME OF EBE FIRM(s)	SERVICE PERFORMED/ MATERIAL SUPPLIED	AMOUNT PAID FOR THE MONTH	TOTAL \$ PAID Y-T-D
TOTAL PAID TO EBE(s)			

I/we hereby certify that I/we have read the above and approved this information to be precise and confirmed.

(12) Report Prepared By: _____
 (Name) (Title) (Phone Number)

(13) Authorized Signature : _____
 (Name) (Title) (Phone Number)

(14) Date _____

Note: This form should be submitted no later than the 20th of every month to DOA- Emerging Business Enterprise Program, Room 606, City Hall, 200 E. Wells, Room 606, Milwaukee, WI or fax to (414) 286-8752.

DIRECTIONS FOR EBE MONTHLY REPORT (FORM D)

1. List the month that the report is being submitted. **Note: If this is the final report, check yes and submit Form E Subcontractor Payment Certification Form.**
2. Prime contractor's or firm's registered company name.
3. List full registered business address to include city/state, zip code and telephone number.
4. Brief description service performed and/or material supplied on this contract.
5. List the official Purchase Order or Contract Number, as represented on the contract or purchase order.
6. List the project number as represented on the front page of the contract.
7. List the start date of the project.
8. List the total dollars awarded to the prime contractor.
9. List the completion date of the project.
10. Prime contractor's total dollar amount paid to each EBE firm(s), for the month being reported, for service performed and/or materials supplied.
11. List the EBE percentage goal on this project and the dollar amount.
12. List the name of the name, title and phone number of the individual who prepared the report.
13. Provide the authorized signature and title of the individual who approves the report.
14. List the date that the report is completed.

THIS REPORT IS DUE THE 20TH OF EVERY MONTH FOR THE PREVIOUS MONTH'S ACTIVITY. FAILURE TO RETURN THIS FORM BY THE SPECIFIED TIME MAY CAUSE A DELAY IN PAYMENTS.

Ref: EBECentral/EBE Forms/Monthly Report -FormD.doc

EXHIBIT 7 TO EBE AGREEMENT

FORM E

**CITY OF MILWAUKEE – DEPARTMENT OF ADMINISTRATION
EQUAL OPPORTUNITIES ENTERPRISE PROGRAM
EBE SUBCONTRACTOR PAYMENT CERTIFICATION**

EBE Subcontractor's Firm Name: _____

Prime Contractor Name: _____

Prime Contractor's Bid or RFP#: _____ Purchase Order or Contract # _____

This certificate is to be signed by the DBE subcontractor firm that was utilized in connection with the above contract, either for service performed, and/or as a supplier. Attach this form to the Prime Contractor's final **FORM D** (DBE Monthly Report) and return to:

Department of Administration
Equal Opportunities Enterprise Program
City Hall – Room 606
200 East Wells St
Milwaukee, W 53202
(or fax to 414-286-8752)

**FAILURE TO ATTACH THIS FORM WITH DBE MONTHLY REPORT (FORM D) CAN
SLOW THE PAYMENT PROCESS.**

I _____ hereby certify that our firm has received
(PLEASE PRINT NAME)

\$ _____ from _____
(PRIME CONTRACTORS NAME)

for subcontract work performed and/or material supplied on the above contract.

Signature & Title _____ Date: _____

Subcontractor

Signature & Title _____ Date: _____

Prime Contractor

**NOTE: THIS FORM MUST BE ATTACHED TO PRIME CONTRACTORS FINAL FORM D
(DBE MONTHLY REPORT)**

EXHIBIT E

Form of Certificate

Document Number	CERTIFICATE OF COMPLETION Document Title	
CERTIFICATE OF COMPLETION		Recording Area
		Name and Return Address Bret A. Roge, Esq. Michael Best & Friedrich LLP 100 East Wisconsin Avenue, Suite 3300 Milwaukee, Wisconsin 53202-4108
		Parcel Identification Number (PIN)

3500003000	3500971000	3502713000
3500004000	3502140000	3502804110
3500505100	3502143000	3503007110
3500519000	3502144100	3503011100
3500520000	3502145000	3500001000
3500521000	3502146000	3500002000
3500522000	3502147000	3500020110
3500876110	3502801000	3500020120
3500962100	3503004000	3500504110
3500965000	3503007120	3500507000
3500972000	3503825000	3500518100
3500973000	3503826000	3500523000
3502139000	3503831000	3500603000
3502141000	3503832000	3500813100
3502142000	3503841000	3500814100
3502148100	3503842000	3500871200
3502150100	3503843000	3500872100
3502151100	3503845000	3500873100
3502704110	3503846000	3500874000
3500963000	3503847000	3500875000
3500964000	3503848000	3500892110
3500966000	3500506100	3500898100
3500970000	3502712000	3500914100

Urban Renewal Project:	Park West Area "E" Urban Renewal Project
Redeveloper:	Legacy Development Partners, LLC
Development Agreement (including Agreement for Sale):	Dated as of _____, 2007, recorded on _____, 2007 as Document No. _____, Reel _____, Image _____
Limited Warranty Deed:	For Property from Redevelopment Authority of the City of Milwaukee ("RACM") to Redeveloper, recorded on _____, 2007 as Document No. _____, Reel _____, Image _____
Legal Description:	Legal description of the Property referred to herein is attached hereto as Exhibit A.

THIS IS TO CERTIFY that the undersigned, on behalf of RACM, 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 Development Agreement (the "Agreement").

Construction commenced on _____, 200__, and was deemed by RACM to be completed on _____, 200__.

THIS CERTIFICATE when signed by RACM shall constitute a conclusive determination of satisfaction and termination of the covenants in the Development Agreement and the above-referenced Limited Warranty Deed with respect to the Redeveloper's obligation to construct improvements on the above-described real estate and the date for completion thereof.

Upon recording of this CERTIFICATE, the real estate described above shall specifically be "released" of record from the Development Agreement and the restrictions against the real estate set forth therein. As among Redeveloper, RACM and the City of Milwaukee (and their respective successors and assigns), however, the Development Agreement provisions shall otherwise remain in place (e.g. Redeveloper's indemnification and hold harmless duties to RACM and City in the Development Agreement remain unaffected; etc.).

This CERTIFICATE relates only to the real estate described above and does not apply to any other parcel in the above-referenced urban renewal project area.

Approved by RACM on _____, 200__, by passage of Resolution No. _____.

Dated at Milwaukee, Wisconsin this _____ Day of _____, 200__.

(SEAL)

**RACM: REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**

By: _____
Name

Printed: _____

Title: _____

Attest:

Name

Printed: _____

Title: _____

