

THIS AGREEMENT, By and between Haywood Investment Group, hereinafter known as "Developer", and the City of Milwaukee, a municipal corporation, hereinafter known as "City";

WITNESSETH:

IN CONSIDERATION of the sum of One Dollar (\$1.00) to each party in hand paid by the other, receipt whereof is hereby acknowledged, and in further consideration of the covenants and agreements hereinafter contained.

WHEREAS, The Developer is the owner of five (5) vacant lots located along the northeast side of W. Appleton Avenue and along the south side of W. Mill Road Place immediately east of where those two streets intersect. The location of these lots is more particularly described by Exhibit "A" and is referred to herein as the Site; and

WHEREAS, The Developer has requested an agreement that provides for the extension of sanitary sewer lines in W. Mill Road Place and W. Appleton Avenue to serve construction of single family homes on the vacant lots which comprise the Site. The name of the development is Mill Road and Appleton LLC; and

WHEREAS, The sewer extensions for this development could be installed under the terms of an out-of-program agreement upon condition that title to such facilities shall vest in the City of Milwaukee subject to conditions more fully hereinafter stated.

NOW, THEREFORE, In consideration of these premises and the mutual benefits herein accruing and for other good and valuable considerations,

IT IS AGREED, By and between the parties hereto that:

1. Funding Obligation

Developer agrees to provide all funds necessary for design, construction, and inspection of the sewer extensions and any related City work necessitated by the project.

2. Construction Option

Upon mutual concurrence of Developer and the Commissioner of Public Works, Developer may let and administer the construction contract for the sanitary sewer extensions. In the event Developer manages the sewer contract construction contract, City shall perform its normal inspections during the course of construction. In addition, Developer agrees to comply with and administer on behalf of the City, all applicable City rules and requirements pertaining to EBE and local resident involvement in the construction contracts.

Developer shall not authorize any changes in improvement plans without the prior approval of the Commissioner of Public Works. All payments to contractors must be pre-approved by the Commissioner.

3. Sewer Improvements

Sanitary sewers will be extended in W. Mill Road Place and in W. Appleton Avenue from their current termination points for a distance of approximately 100 feet and approximately 400 feet respectively. Plans for the sanitary sewer extensions shall be

prepared by the City's Department of Public Works. The estimated cost for plan preparation is \$5,000. Estimated costs to construct and inspect the sewer extensions are as follows:

Construction (sewer mains)	\$90,000
Inspection	\$ 5,000

Any conflicts with existing utilities in the area or the presence of unusual site conditions could significantly increase the actual costs over the estimated amounts. The cost estimates do not include the cost of any improvements required as the result of an approved storm water management plan. Review and approval of the sanitary sewer plans by the Milwaukee Metropolitan Sewerage District and the Wisconsin Department of Natural Resources is required prior to sewer construction.

4. Utility Laterals

Sanitary sewer laterals may be installed as part of the sewer construction contract or may be installed by Developer under permit from the City's Department of Neighborhood Services. Under the latter option, the Neighborhood Services Department would inspect the work. The cost of laterals is not included in the preceding sewer estimate. If installed as part of the construction contract work, Developer shall provide funding therefor.

5. Storm Water Management Plan

A Storm Water Management Plan for the project must be submitted for review and approval by the City Engineer. Any storm water management improvements required in conjunction with the subdivision shall be constructed by Developer. Ownership and maintenance of any storm water management

improvements shall be the responsibility of the Developer or of any subsequent Homeowner's Association.

6. Other Improvements

Developer agrees that any utility and access improvements necessary to serve the site in addition to those listed above shall be its responsibility and shall be undertaken by Developer at its sole expense. Developer further agrees that the City shall review and approve plans for any work to occur in the public right-of-way. Permits necessary for any such work shall be obtained by Developer or other responsible parties.

7. Private Utilities

Developer agrees that any extensions of private utility lines necessary to provide telephone, communications, electrical, and gas services to the development shall be installed underground, except where the City Plan Commission finds that such underground installations are not feasible.

8. Funding Guarantee for Construction

The Developer shall submit an irrevocable Letter of Credit or other funding guarantee, satisfactory in format to the City Attorney, in an amount equal to the estimated construction contract cost (\$90,000) for the public infrastructure improvements described herein prior to the award of any public improvement contract, whether privately or publicly let.

Any and all irrevocable Letters of Credit shall guarantee that the Developer's bank or savings and loan will provide the required funds to cover the contract cost of installing the applicable

infrastructure improvements and will, upon simple request by the Commissioner of Public Works and the City Treasurer, release same to City as required, all such funds to be furnished interest free. The Letter of Credit or other funding guarantee shall be submitted to the city prior to the city or the Developer entering into any contracts for installation of public improvements.

9. City Force Work Costs

The estimated cost for City force work is \$5,000. This deposit will cover the cost of field inspections during construction of the sewer extensions. Developer shall deposit the \$5,000 with the City prior to the City advertising for public improvement construction bids or prior to Developer letting any contracts for public improvements, whichever is applicable.

10. Payments

In the event the City lets public improvement construction contracts, the contract costs for the public improvements will be billed to Developer upon determination that such costs have been incurred by City. Developer shall provide the City with funds to make contract payments. If such funds are not provided within 30 days of being requested, City may draw against the funding guarantee referenced in paragraph 8. It shall be further understood and agreed that where Developer funded work covered under the terms of this Agreement does not proceed to the bid or contract stage, the City shall still retain a sufficient amount of the Developer's engineering fund deposit to cover expenses incurred by the City for engineering and plan preparation work or for plan review work commenced by the City at the Developer's request.

Upon completion of the public improvements and all associated City work, City shall return any unspent portions of the Developer's cash deposits (i.e. the Design Engineering Deposit and the Construction Engineering Deposit) to the Developer.

11. Inspections

Both parties agree that all materials furnished and all work performed hereunder shall conform to all regulations and specifications of the City of Milwaukee and its Commissioner of Public Works and shall be subject to inspection by the Department of Public Works. All engineering and inspection costs incidental to the installation of the public improvements covered by this Agreement shall be subject to the terms of this Agreement, the cost of such service when furnished by City being established as the wages of the person or persons engaged in such work plus all costs of overhead.

12. Ownership of Public Improvements

It is understood and agreed by both parties hereto that upon completion of the public improvements, title to all public facilities installed under the terms of this Agreement shall vest in the City of Milwaukee and that the City will accept the obligation of operation and maintenance in accordance with its standard practice.

13. Building Permits

It is understood and agreed by both parties hereto that building permits for any homes to be constructed in the subdivision shall not be issued until (1) the required Storm Water Management Plan has been approved, (2) the Developer has provided the City with both

a funding guarantee for sewer construction and a cash deposit for City Force Work, and (3) all required approvals for the sewer extensions have been granted by the appropriate agencies,

14. Occupancy Permits

It is understood and agreed by both parties hereto that occupancy permits for any structure in the subdivision shall not be issued until all planned public improvements have been sufficiently completed so essential public utility services and traffic access are provided to the structure.

15. City Ordinances and Regulations

City warrants that all work shall be undertaken in accord with City standard and customary public works contracting procedures unless such work is to be undertaken by City Forces or by Developer per paragraph 2. It is further understood and agreed that this Agreement is subject to all City ordinances and regulations and nothing herein shall be deemed to waive or supersede such requirements.

THIS AGREEMENT, drafted by the City of Milwaukee, shall be binding upon the Developer, its lessees, successors and assigns, and upon the City, its successors and assigns.

DEVELOPER

IN WITNESS WHEREOF, the Developer has caused this document to be signed and sealed this ____ day of _____, 2006.

Developer

In Presence Of: _____

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 2006,
who executed the foregoing instrument, and acknowledged that they executed the
same.

Notary Public, State of Wisconsin

My Commission expires: _____

IN WITNESS WHEREOF, the proper City Officers have caused this document to be signed and the City's seal to be affixed this _____ day of _____, 2006.

CITY OF MILWAUKEE

In Presence Of:

Tom Barrett, Mayor

City Clerk

COUNTERSIGNED

Comptroller

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this _____ day of _____, 2006, Tom Barrett, Mayor of the City of Milwaukee, a municipal corporation, to me known to be the person who executed the foregoing instrument and to me known to be such Mayor of said municipal corporation, and acknowledged that he executed the foregoing instrument as such officer as the deed of said municipal corporation, its authority, and pursuant to Resolution File No. adopted _____, 2006.

Notary Public, State of Wisconsin

My Commission expires: _____

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this _____ day of _____, 2006,
Ronald Leonhardt, City Clerk of the above-named municipal corporation, to me known
to be the person who executed the foregoing instrument and to me known to be such
City Clerk of said municipal corporation, and acknowledged that he executed the
foregoing instrument as such officer as the deed of said municipal corporation, its
authority, and pursuant to Resolution File No. _____, adopted
_____, 2006.

Notary Public, State of Wisconsin
My Commission expires: _____

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this _____ day of _____, 2006,
W. Martin Morics, City Comptroller of the City of Milwaukee, a municipal corporation, to
me known to be the person who executed the foregoing instrument and to me known to
be such City Comptroller of said municipal corporation, and acknowledged that he
executed the foregoing instrument as such officer as the deed of said municipal
corporation, its authority, and pursuant to Resolution File No. _____, adopted
_____, 2006.

Notary Public, State of Wisconsin
My Commission expires: _____