

**DEVELOPMENT AGREEMENT
TID 84 – Grunau Memorial Plaza**

THIS DEVELOPMENT AGREEMENT (this “Development Agreement”) is made as of this ____ day of _____, 2025 (“Effective Date”), by and between BUSINESS IMPROVEMENT DISTRICT NO. 15, a Wisconsin business improvement district (“BID 15”), and the CITY OF MILWAUKEE, a Wisconsin municipal corporation (“City”).

RECITALS

WHEREAS, pursuant to that certain Riverwalk Development Agreement for Business Improvement District No. 15 dated as of May 23, 1994, by and between BID 15 and the City, and certain easement agreements by and between BID 15 and riverwalk property owners, BID 15 is responsible for overseeing the publicly accessible riverwalk system located along a portion of the Milwaukee River in the downtown area of the City (“Riverwalk System”).

WHEREAS, the City controls, as public right-of-way, that certain half-block of Highland Avenue and owns the abutting pedestrian bridge (“Pedestrian Bridge”) east of North Dr. Martin Luther King Drive in the City of Milwaukee, Wisconsin, as more particularly depicted on Exhibit A attached hereto (“Grunau Memorial Plaza”), which abut the Riverwalk System.

WHEREAS, the Common Council of the City of Milwaukee approved Amendment No. 2 to Project Plan for Tax Incremental District No. 84 (West McKinley and West Juneau) (“TID 84”) in order to fund the redevelopment of Grunau Memorial Plaza and the Pedestrian Bridge to enhance pedestrian connections through the Pedestrian Bridge, Grunau Memorial Plaza and the surrounding areas and to honor the late Gary P. Grunau’s impact on the City of Milwaukee’s riverfront and downtown development (“Project”), and authorized the proper City officials to enter into this Development Agreement.

WHEREAS, BID 15 acknowledges that the Project will benefit BID 15 and the Riverwalk System and, accordingly, BID 15 has provided \$150,000.00 in funding for the Project’s preliminary design work and now desires to assist with the implementation of the Project, subject to the terms and conditions set forth hereunder.

WHEREAS, the Project constitutes a public improvement project involving construction of amenities within a public right-of-way to enhance other improvements already built within the boundaries of TID 84, pursuant to Section 66.1105(2)(f)1.j. of the Wisconsin Statutes, and that but for the City’s contribution to the Project, BID 15 would not contribute the BID Share (as defined herein) or complete the Project.

WHEREAS, the maintenance and repair of the redeveloped Grunau Memorial Plaza and the Pedestrian Bridge are addressed in separate agreements between BID 15 and Business Improvement District No. 21 and between the City and Business Improvement District No. 53 (collectively, the “Maintenance Agreements”) and CITY’s approval of this Development Agreement is contingent upon those Maintenance Agreements being finalized before construction begins on the Project.

WHEREAS, the City now desires to engage BID 15 to assist with the implementation of the Project, as more particularly set forth hereunder.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals and the attached Exhibits, which are incorporated herein, and the mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, BID 15 and the City hereby agree as follows:

1. Project Improvements. Certain improvements, amenities, fixtures, equipment and related appurtenances will be constructed and installed by the Contractor (defined hereunder) in Grunau Memorial Plaza and on the Pedestrian Bridge as part of the Project (“Work”), as preliminarily set forth on Exhibit B attached hereto. The Work shall be completed in accordance with the final plans and specifications for the Work, which shall be prepared by the Project architect and shall be subject to the review and written approval of the City’s Commissioner of the Department of Public Works (“Commissioner”), which approval shall not be unreasonably withheld, conditioned, or delayed (as approved by the Commissioner, the “Final Plans”). The Commissioner shall have the right to periodically inspect the Work through completion of the Project and determine and accept final completion of the Work. The parties acknowledge that RINKA is the Project architect hired by BID 15 for the Project and should there need to be a change in the Project architect during the term of this Development Agreement, the selection of the new architect shall be mutually agreed to in writing by the CITY and BID 15.

2. Contractor; Construction Contract. BID 15 shall engage a contractor (“Contractor”) to perform the Work pursuant to a written agreement to be entered into by BID 15 and the Contractor (“Construction Contract”). The Construction Contract shall set forth (i) a fixed price for the Contractor’s completion of the Work; (ii) a work schedule; and (iii) such other terms and conditions as may be reasonably required by the Commissioner. Prior to entering into the Construction Contract, BID 15 shall obtain the Commissioner’s written approval of the Contractor and the Construction Contract, which approval shall not be unreasonably withheld, conditioned or delayed.

3. Project Costs; Escrow Agent and Disbursement.

(a) Project Costs. The preliminary budget for the costs associated with the Project (“Project Costs”) is \$5,000,000. A final budget for the Project Costs will be mutually approved by BID 15 and the Commissioner following completion of the Final Plans (“Final Budget”). In the event the budget exceeds \$5,000,000 the parties shall, in good faith seek to value engineer and revise the Final Plans to achieve a Final Budget equal to or less than \$5,000,000. Subject to subparagraph 3(c), below, BID 15 shall be responsible for 22% of the Project Costs (“BID Share”) and the City shall be responsible for 78% of the Project Costs (“City Share”). The parties estimate that it will be necessary to incur approximately \$250,000 in soft costs for design, site due diligence and project administration (as set forth in the “Soft Cost Before Mobilization” column on Exhibit C attached hereto) in order to arrive at the Final Budget. The parties acknowledge that no portion of the City Share to be used towards actual hard construction costs for the Project will be expended prior to the Maintenance Agreements being finalized and executed.

(b) Escrow Agent and Disbursement. Upon the approval of the Final Budget by BID 15 and the Commissioner, BID 15 shall deposit the entire BID Share of the Final Budget into an escrow account with [REDACTED] (“Escrow Agent”). Payment for the Project Costs shall be made as follows:

(i) No more frequently than monthly, the Contractor (or, prior to arriving at the Final Budget, BID 15’s project administrator) shall submit a draw request to BID 15 and the Commissioner in a form reasonably acceptable to the Commissioner, which (i) itemizes the Project Costs incurred for which disbursement is to be made; (ii) sets forth the amount requested to be disbursed; (iii)

sets forth the payees; (iv) shows the amounts previously disbursed and yet to be disbursed; and (v) includes reasonable documentation evidencing such Project Costs for which disbursement is so requested (the “Draw Request”); and

(ii) Unless the Commissioner objects to the Draw Request in writing to both the Contractor (or the project administrator) and BID 15, within 30 days of receipt of such Draw Request, the Commissioner shall cause the City to deposit funds with Escrow Agent as necessary to cover the amount of the Draw Request. City acknowledges that to date BID 15 has already expended \$150,000 on architectural fees for the Project and that such amount counts towards the BID Share. Accordingly, the City shall fund 100% of approved Draw Requests until the City has contributed \$531,818 towards the Project.¹ For all subsequent Draw Requests, City shall deposit the City Share of each approved Draw Request with the Escrow Agent. Escrow Agent shall thereafter disburse the funds (net of any required retainage) for each approved Draw Request proportionally based on the City Share and the BID Share.

(c) Release of Remaining Funds in Escrow. Any remaining funds in escrow after the Commissioner determines and accepts the Work as final shall be disbursed to BID 15. In the event the Project Costs exceed \$5,000,000, the City shall be responsible for 100% of such excess so long as the City’s total contribution to the Project does not exceed \$5,000,000.

4. Right of Entry. BID 15 and/or BID 15’s agents, representatives, employees, contractors and subcontractors (“BID Representatives”) shall have the right to enter Grunau Memorial Plaza and the Pedestrian Bridge to complete the Work; provided, however, that BID 15, the Contractor and/or BID Representatives shall not cause anything to be done that (i) is in any manner inconsistent with the purposes of this Development Agreement; (ii) unreasonably blocks or obstructs access to and from Grunau Memorial Plaza, the Pedestrian Bridge and/or any other public rights-of-way; (iii) unreasonably interferes with the use or enjoyment of Grunau Memorial Plaza and/or the Pedestrian Bridge by the general public; or (iv) unreasonably interferes with maintenance or daily operation of the Pedestrian Bridge by City .

5. Residence Preference Program; Small Business Enterprises Program. BID 15 hereby acknowledges and agrees that it shall enter into the applicable Human Resources Agreement(s) with the City and shall comply with any applicable Residents Preference and Small Business Enterprise Program requirements as though the Project was let by the City, as further set forth in City of Milwaukee Ordinances §§ 309-41 and 370-5.

6. Indemnification. BID 15 shall indemnify, defend and hold harmless the City and its employees, officers, directors and agents from and against any and all claims, damages, injuries, liabilities, obligations, losses, suits, demands and costs and expenses, including reasonable attorneys’ fees, arising out of or resulting from injuries or damages received or sustained by any person, persons or property in connection with BID 15’s performance of its obligations hereunder.

7. Insurance. At all times during completion of the Work, BID 15 shall carry, at its sole cost and expense, a policy of public liability insurance with limits of coverage that are at levels customarily maintained by businesses in Milwaukee County, Wisconsin. BID 15 hereby acknowledges and agrees that it shall require the Contractor to carry a builder’s risk insurance policy with limits of coverage that are appropriate for the Project.

¹ For clarity, this will bring the total Project expenditures to \$681,818 with 22% (\$150,000) from the BID and 78% (\$531,818) from the City.

8. Notice. Any written notices required to be sent under this Development Agreement may be sent to any of the following addresses set forth below:

To the City:

Commissioner of Public Works
Department of Public Works
841 North Broadway
Milwaukee, Wisconsin 53202
E-mail Address: [REDACTED]

With a copy to:

Commissioner of City Development
Department of City Development
809 North Broadway
Milwaukee, Wisconsin 53202
E-mail Address: [REDACTED]

To BID 15:

Stacie Callies, Executive Director
310 West Wisconsin Avenue, Suite 1450E
Milwaukee, Wisconsin 53203
E-mail Address: stacie@westown.org

With a copy to:

Joseph J. Franke
Reinhart Boerner Van Deuren s.c.
1000 North Water Street
Milwaukee, Wisconsin 53202
E-mail Address: jfranke@reinhartlaw.com

9. Miscellaneous.

(a) Warranties. All warranties pertaining to the Work shall be assigned to and/or run directly to the City.

(b) Development Agreement Amendment; Construction Contract Amendment. This Development Agreement may only be amended, modified or terminated at any time by a written instrument, signed and acknowledged by all the parties hereto, or their successors and/or assigns. Notwithstanding anything to the contrary contained herein, any change orders or amendments to the Construction Contract must be approved by the Commissioner in writing, which approval shall not be unreasonably withheld, conditioned or delayed. The parties agree that any change order or amendment to the Construction Contract that substantially increases the Project Costs may be rejected, conditioned or subject to delayed approval by the Commissioner, which shall be considered to be reasonable under this subparagraph.

(c) Successors and Assigns. When duly signed and acknowledged, this Development Agreement shall be binding upon BID 15 and its successors and/or assigns, and upon the City and its successors and/or assigns.

(d) Severability. If any term, covenant or condition of this Development Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Development Agreement, or application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Development Agreement shall be valid and enforceable to the fullest extent allowed by law.

(e) No Waiver. The failure of any party hereto to insist upon strict performance of any provision of this Development Agreement, or to exercise any right arising out of this Development Agreement, shall neither impair the provision or right nor constitute a waiver of that provision or right, in whole or in part, in that instance or in any other instance. Any waiver by a party of a particular provision or right contained herein shall be in writing, shall be as to a particular matter, and, if applicable, for a particular period of time and shall be signed by such party. No waiver of any term of this Development Agreement shall be deemed to be a continuing waiver of that term or waiver of any other term of this Development Agreement.

(f) Counterparts; Signatures. This Development Agreement may be executed in counterparts, each of which, whether an original, facsimile or delivered electronically (including by PDF, DocuSign or a similar electronic delivery method), shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument as of the Effective Date.

(g) Choice of Law. This Development Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Wisconsin.

[SIGNATURE PAGES FOLLOWS]

IN WITNESS WHEREOF, BID 15 has caused this Development Agreement to be executed as of the Effective Date.

BID 15

BUSINESS IMPROVEMENT DISTRICT NO. 15

By: _____
Edward Mordy, Chair

IN WITNESS WHEREOF, the City has caused this Development Agreement to be executed as of the Effective Date.

CITY OF MILWAUKEE

Cavalier Johnson, Mayor

James R. Owczarski, City Clerk

COUNTERSIGNED:

Bill Christianson, Comptroller

1050-2024-1996:297519

This document was drafted by:

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EXHIBIT A
DEPICTION OF GRUNAU MEMORIAL PLAZA

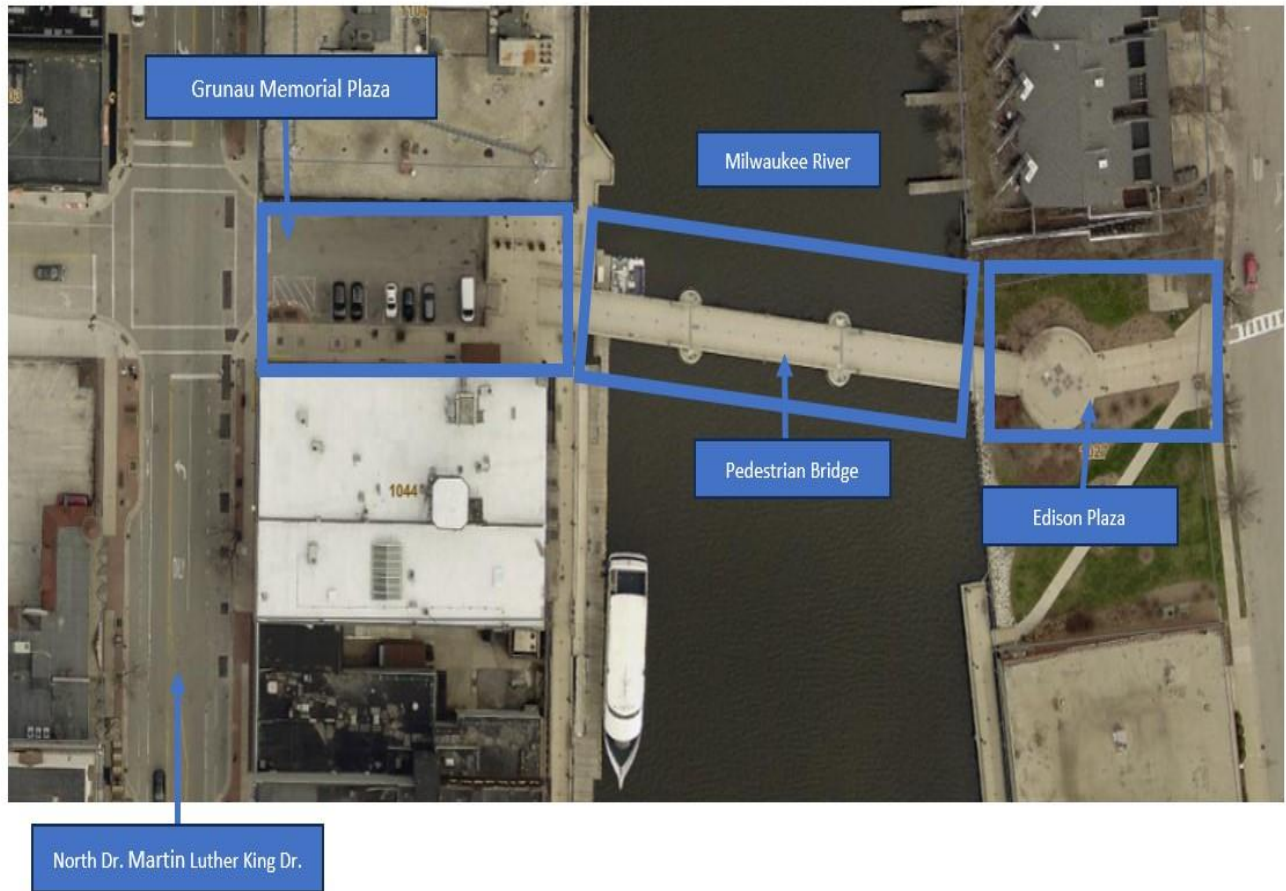


EXHIBIT B
PRELIMINARY RENDERINGS OF THE WORK



EXHIBIT C

PROJECT BUDGET

HIGHLAND AVENUE PLAZA & BRIDGE IMPROVEMENTS

March 12, 2025



PROJECT SOFT COST BUDGET		SOFT COST BEFORE MOBILIZATION	
Architect: Concept	\$ 55,220		
Architect: Platform Re-Concept	\$ 7,520	Architect: Additional Coordination	\$ 5,500
Architect: SD/DD/CD/CA	\$ 205,470	Architect: SD/DD/CD/CA	\$ 125,710
Surveyor	Excluded	Surveyor	
Civil Engineer	In Architect	Civil Engineer Add service	\$ 5,740
Structural Engineer	In Architect	Structural Engineer	In Architect
MEP Engineer	In Architect	MEP Engineer	In Architect
Geo-Tech	\$ 25,000	Geo-Tech	\$ 25,000
Pre-Construction Asbestos Survey	Excluded	Pre-Construction Asbestos Survey	\$ 5,000
Project Management (Estimate)	\$ 199,062	Project Management (Estimate)	\$ 60,000
Other	\$ -	Other	
Unspecified Item Allowance	\$ 30,000	Unspecified Item Allowance	\$ 15,000
SUBTOTAL	\$ 522,272	SUBTOTAL	\$ 241,950
Expense Estimate	\$ 20,000	Expense Estimate	\$ 5,000
		Recommended Soft Cost Budget*	\$ 246,950

*excludes invoices paid to date