

Document Number

**COOPERATION,
CONTRIBUTION AND
REDEVELOPMENT
AGREEMENT**

Document Title

**COOPERATION, CONTRIBUTION AND
REDEVELOPMENT AGREEMENT**

**Tax Incremental District No. 108
(Milwaukee Tool Project)**

Recording Area

Name and Return Address

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SCHEDULE OF EXHIBITS

EXHIBIT A *Property Description*

EXHIBIT B *Annual Employment Report Form*

EXHIBIT C *Certificate of Completion*

EXHIBIT D *Human Resources Agreement*

EXHIBIT E *PILOT Agreement*

EXHIBIT F *Projected Workforce Timeline*

EXHIBIT G *TID Project Plan*

EXHIBIT H *Insurance Requirements*

**COOPERATION, CONTRIBUTION AND
DEVELOPMENT AGREEMENT**

(TID No. 81 - Freshwater Plaza Project)

This COOPERATION, CONTRIBUTION AND DEVELOPMENT AGREEMENT (“Agreement”) is made as of the 21st day of May, 2021, by and among Schwer, Pflicht, & Werkzeug Properties, LLC, a Wisconsin limited liability company (“DEVELOPER”), the City of Milwaukee, a Wisconsin municipal corporation, (“CITY”) and the Redevelopment Authority of the City of Milwaukee, a public body corporate and politic organized and existing under the laws of the State of Wisconsin, (“RACM”).

RECITALS

1. CITY, RACM, and DEVELOPER have agreed upon the basic terms for redevelopment of real property including an existing building located at 501 West Michigan Street in the City of Milwaukee, as described on the attached **EXHIBIT A** (the “Property”);
2. DEVELOPER proposes to undertake the Project, as further defined herein, at the Property;
3. In Common Council Resolution File No. 201674, adopted May 4, 2021, CITY’s Common Council created Tax Incremental District No. 108 (“TID 108”) and approved the TID Project Plan in order to provide for the funding for certain project costs within TID 108 including grants to DEVELOPER for the Project at the Property and approved a term sheet for the Project, upon which this Agreement is based;
4. The Property is located within the boundaries of TID No. 108;
5. The Commissioners of RACM approved Resolution No. 10857 on April 15, 2021, which approved the TID Project Plan and authorized execution of this Agreement;
6. DEVELOPER has authorized execution of this Agreement;
7. In order to induce CITY and RACM to undertake the activities set forth in this Agreement, DEVELOPER is willing to cooperate with CITY and RACM in the development of the Project in accordance with the terms of this Agreement; and
8. In order to promote redevelopment of the Property and to assist in the creation of jobs and increasing the City’s tax base, CITY and RACM are willing to cooperate with each other and DEVELOPER in the redevelopment of the Property in accordance with the terms of this Agreement.

In consideration of the above recitals, which along with all exhibits are incorporated into this Agreement, and the mutual obligations of the Parties hereto, CITY, RACM and DEVELOPER covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

1.1. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms when used in this Agreement shall have the following meanings:

“Affiliate” means a person, entity or entities directly or indirectly under the same control or management as DEVELOPER or a person, entity or entities controlling or managing DEVELOPER or a person, entity or entities assigned DEVELOPER’S rights and obligations with respect to the Project or this Agreement. DEVELOPER may create Affiliates for the purposes of carrying out the Project, provided such Affiliates comply with all terms and conditions of this Agreement. The corporation known as Milwaukee Tool or Milwaukee Electric Tool Corporation is an Affiliate under this Agreement. The Parties agree that for purposes of this Agreement, any action taken by an Affiliate shall be considered an action of the DEVELOPER for which DEVELOPER is responsible and liable.

“Annual Employment Report” means a copy of the summary page of the UCT-101-E or equivalent Quarterly Contribution / Wage Report submitted by or on behalf of DEVELOPER to the Wisconsin Department of Workforce Development documenting DEVELOPER’s employees at the Property, or substantially similar information, as well as reports in substantially the form attached as **EXHIBIT B** documenting the number of FTEs at the Property including the annual and weekly hours and wages of each employee alleged to be an FTE, employment dates and details on workplace location / remote work status and other information on Exhibit B, as reasonable and allowable under law.

“Certificate of Completion” means a certificate in substantially the form attached as **EXHIBIT C**.

“DCD Commissioner” means CITY’s Commissioner of City Development.

“Executive Director” means RACM’s Executive Director.

“Expansion” means the portion of the Project that might be undertaken by DEVELOPER as further described in Section 2.2 of this Agreement.

“Final Plans” is defined in Section 3.1.B of this Agreement.

“Force Majeure” means delays caused by adverse weather, acts of God, labor disputes, strikes, material shortages, terrorism, civil unrest, war, fire, pandemic, global health crisis, other casualty, riot, concealed and unknown site conditions and other causes outside of the control of the Party obligated to perform. Delays caused by the COVID-19 pandemic and global health

crises existing on the effective date of this Agreement shall not be considered a force majeure event.

“Full Time Equivalent Employee” or **“FTE”** means an employee of DEVELOPER, or of an Affiliate, or of a contractor or consultant to DEVELOPER (the foregoing entities are collectively referred to as the “Employers”) who is required as a condition of employment to work at least 35 hours per week and at least 1,820 hours per year, including paid leave and holidays, and is paid at least 150% of the federal minimum wage for work at the Property or, if working exclusively remotely, from their residence within the corporate limits of the City of Milwaukee. For FTEs that work some of their time at the Property and some of their time remotely, at least 60% of their time must be worked at the Property or at the FTE’s residence within the corporate limits of the City of Milwaukee. Hours of part-time employees of the Employers may be converted to FTEs by dividing their combined hours for a given year by 1,820 hours per FTE.

“Human Resources Agreement” means an agreement between DEVELOPER and CITY, a copy of which is attached as **EXHIBIT D**, that is entered into subject to Milwaukee Code of Ordinances Chapters 355 and 370, that will require DEVELOPER to utilize or cause utilization of certified Small Business Enterprises (“SBE”) for 25% of construction and supply costs and 18% of professional services (architecture, engineering, etc.) costs on the construction of the Initial Project and the Expansion and utilize or cause utilization of unemployed and underemployed residents, pursuant to City’s Residents Preference Program (“RPP”), for no less than 40% of total onsite construction “worker hours” expended on construction of the Initial Project and the Expansion.

“Interest Rate” means 4½% per annum, calculated based upon a 360 day year consisting of twelve 30-day months.

“Initial Grant” means TID 108 funds (which may include borrowed funds) to be paid to DEVELOPER as a grant from CITY, acting through RACM, in an amount not to exceed \$12,100,000 to partially offset DEVELOPER’s costs of the Initial Project.

“Initial Project” means the portion of the Project to be undertaken by DEVELOPER as further described in Section 2.1 of this Agreement.

“Jobs Shortfall” is defined in Section 5.3 of this Agreement. When used in the singular, Job Shortfall refers to an individual FTE that has not been created as required by the Projected Workforce Timeline.

“Monetary Obligation” means a limited and conditional monetary obligation of CITY to pay DEVELOPER the Subsequent Grant plus interest and to partially reimburse DEVELOPER for Shortfall Payments, if any, as further described in Article VI of this Agreement.

“Parties” means CITY, RACM and DEVELOPER, but each may individually be referred to as a Party.

“PILOT Agreement” means the payment in lieu of taxes agreement to be recorded on the title of the Property at the Milwaukee County Register of Deeds Office, in the form attached as **EXHIBIT E**.

“Project” means the project to be undertaken by DEVELOPER at the Property as further described in Article II and consisting, at a minimum, of the Initial Project and potentially also the Expansion.

“Project Documents” means this Agreement, the PILOT Agreement, the Human Resources Agreement and any other instruments, agreements and documents among DEVELOPER, CITY and RACM necessary to complete the Project or meet the terms and conditions of this Agreement.

“Projected Workforce Timeline” means the timeline for FTE employment levels set forth on **EXHIBIT F**.

“Property” means the real property located at 501 West Michigan in the City of Milwaukee and as further described on **EXHIBIT A**.

“Shortfall Payment” means a payment in the amount of \$10,000 per Job Shortfall that must be paid by DEVELOPER to CITY pursuant to Sections 5.4. through 5.6 of this Agreement.

“Shortfall Reimbursement Amount” is defined in Section 5.6 of this Agreement.

“Subsequent Grant” means TID 108 funds (which may include borrowed funds) in an amount not to exceed \$7,900,000 plus interest accrued at the Interest Rate to be paid to DEVELOPER, if earned following completion of the Expansion, as a grant from CITY, acting through RACM, and as further described in Article VI of this Agreement.

“Substantial Completion” means completion of the Project by DEVELOPER in substantial compliance with the Final Plans and the requirements of this Agreement as confirmed by the Executive Director. In the event that DEVELOPER decides to not undertake the Expansion, then Substantial Completion will be met upon DEVELOPER’s completion of the Initial Project as confirmed by the Executive Director.

“Tax Increment Law” means section 66.1105 of the Wisconsin Statutes.

“Termination Date” means the date on which this Agreement terminates which shall be the earlier of (i) the date TID 108 is closed; (ii) the date the CITY’s Monetary Obligation terminates pursuant to Section 6.6 of this Agreement; or (iii) the date a Party terminates this Agreement following an Event of Default pursuant to Article XII of this Agreement.

“TID 108” means Tax Incremental District No. 108 (5th & Michigan) created by the City of Milwaukee pursuant to the Tax Increment Law.

“**TID Project Plan**” means the Project Plan for Tax Incremental Financing District No. 108 (5th & Michigan), a copy of which is attached as **EXHIBIT G** approved by CITY’s Common Council in order to provide for certain project costs within TID 108.

“**Updated Employment Report**” is defined in Section 5.3 of this Agreement.

1.2. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

A. Words importing the singular number shall include the plural number and vice versa.

B. The captions and headings herein are solely for convenience of reference only and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

C. Words of the feminine and masculine genders shall be deemed and construed to include correlative words of the opposite gender and non-binary genders, and words of the non-binary gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

ARTICLE II

PROJECT DESCRIPTION

The Project refers to both the Initial Project and the Expansion as well as the DEVELOPER obligations described in Section 3.1 of this Agreement. The Initial Project and Expansion are described as follows:

2.1 Initial Project. The Initial Project will require DEVELOPER, or an Affiliate, to acquire title to the Property and expend at least \$30,000,000 to renovate the approximately 350,000 square foot building on the Property to accommodate 1,210 FTEs in accordance with the Projected Workforce Timeline. In exchange for this Initial Project, CITY will provide the Initial Grant to DEVELOPER in accordance with this Agreement.

2.2 Expansion. The Expansion is part of the Project that may be undertaken by DEVELOPER, at DEVELOPER’s discretion, to expand the Property by adding at least 3 stories or 150,000 square feet of new space to the building on the Property to create space for an additional 790 FTEs.

ARTICLE III

PARTY RESPONSIBILITIES

3.1. DEVELOPER Obligations. DEVELOPER’s general obligations with regard to the Project are as follows:

- A. Acquire the Property by September 1, 2021.
- B. Prepare plans and specifications for building renovations for the Initial Project and submit them to CITY for reasonable review and approval by the DCD Commissioner as well as other approvals necessary to obtain required building permits. The plans and specifications as approved pursuant to this subsection shall be known as the “Final Plans.”
- C. Expend at least \$15,000,000 in renovation costs at the Property by December 31, 2022, and provide CITY with evidence that DEVELOPER is committed to expend another \$15,000,000 in renovations at the Property by December 31, 2024, for a total expenditure at the Property of at least \$30,000,000. Such evidence shall be in the form of a signed construction contract for the renovations costing at least \$15,000,000 and to be completed by December 31, 2024. Such renovations shall be consistent with the Final Plans.
- D. Hire or relocate FTEs in accordance with the Projected Workforce Timeline and meet the obligations described in Article V of this Agreement for reporting of such FTEs to CITY. The number of FTEs included in the Projected Workforce Timeline shall be minimums and should not be construed as limiting the number of FTEs DEVELOPER can employ or relocate.
- E. In the event that DEVELOPER decides to pursue the Expansion, DEVELOPER shall pay all costs for the Expansion and complete the Expansion. DEVELOPER’s costs for the Expansion may be reimbursed up to the amount of the Subsequent Grant, if earned, either fully or partially, as further described in Article VI of this Agreement.
- F. Enter into the Human Resources Agreement and PILOT Agreement with CITY and execute all Project Documents to which it is a party and deliver copies thereof to RACM and the CITY to the extent such entities are parties to such documents.
- G. Pay all real estate taxes applicable to the Property when due; provided, however, payments in installments is permitted and provided further that DEVELOPER reserves the right to contest the assessed valuation of the Property as a taxpaying owner under Wisconsin law.
- H. In support of CITY’s Common Council’s goals under the Community-Oriented, Responsible and Equitable Development Zone Resolution (CORE Resolution) articulated in File No. 190592 related to developments in the central business district, DEVELOPER pledges, with regard to hiring of janitorial, security and food service staff to serve the Property (either by direct hire, or, if DEVELOPER does not directly hire such staff, through contracts with third parties for such services), to pay workers for such positions at least \$15.00 per hour. Additionally, DEVELOPER shall provide a copy of the CORE Resolution to any contractors providing these services at the Property and shall encourage such contractors to recruit city residents living in zip codes identified by the City Clerk pursuant to MCO 355-7-a-1.
- I. DEVELOPER, which is currently engaged with Milwaukee-based high schools in a variety of ways, shall continue to support opportunities that advance Milwaukee students’ interest in and preparation for careers at the DEVELOPER or in fields that utilize DEVELOPER’s products.

3.2. CITY Obligations. During the term of this Agreement, CITY shall take the steps necessary for completing the following tasks in order to assist DEVELOPER in completing the Project:

A. Provide funds from TID 108 through RACM for the Initial Grant (which may include borrowed funds).

B. If the Subsequent Grant is earned, either partially or fully, as described in Article VI of this Agreement, provide funds from TID 108 through RACM for payment of the Monetary Obligation in accordance with Article VI of this Agreement (which may include borrowed funds).

C. Assist DEVELOPER in obtaining on an expedited basis, any zoning changes, right-of-way vacations, right-of-way dedications and any other approvals, entitlements, permits and/or inspections required for the Project, including adding a driveway off of North 5th Street for a new drop off area near the front door of the Property. Nothing contained herein shall be deemed to limit or waive CITY's independent right and authority to review and consider each request for such approvals.

D. Review Annual Employment Reports and Updated Employment Reports as described in Article V of this Agreement.

E. Execute and deliver all Project Documents to which it is a party.

F. Cause TID 108 to remain open consistent with the Tax Increment Law and this Agreement and shall not authorize any other expenditures from TID 108 funds so long as any amount owed to DEVELOPER remains outstanding.

3.3. RACM Obligations. During the term of this Agreement, RACM shall take the steps necessary for completing the following tasks in order to assist DEVELOPER in completing the Project:

A. Pay the Initial Grant to DEVELOPER upon receiving evidence from DEVELOPER, in form reasonably acceptable to the Executive Director, that DEVELOPER has or has commitments or contracts in place to meet its obligations for the Initial Project as described in Sections 3.1.A, B, C and F, above, and DEVELOPER has developed a plan under Section XI of the Human Resources Agreement that is acceptable to CITY's Office of Equity and Inclusion. Such payment shall be made to DEVELOPER via wire transfer within 30 business days of the Executive Director receiving the evidence.

B. Execute and deliver all Project Documents to which it is a party.

ARTICLE IV

TAX INCREMENT LAW APPLICABILITY

4.1 Background. This Agreement is entered into in furtherance of the Tax Increment Law. Under this Agreement:

A. CITY agrees to act on behalf of RACM by using its powers, as necessary, to provide for the accomplishment of RACM's redevelopment goals pursuant to sec. 66.1333(13), Wis. Stats., and in order to aid RACM's redevelopment activities so that the Initial Grant and Subsequent Grant will qualify as project costs for TID 108 pursuant to secs. 66.1105(2)(f)(1)(h) and (i), Wis. Stats.

B. CITY and RACM agree that the Initial Grant and Subsequent Grant will be deemed to have been made for the purpose of carrying out redevelopment and assisting in a redevelopment project pursuant to the terms of this Agreement.

C. DEVELOPER agrees to cause the Project to be implemented and brought to Substantial Completion pursuant to the terms of this Agreement.

4.2 Findings and Representations.

A. CITY. CITY makes the following findings and representations:

1. The Property lies within TID 108 and has been determined to be "in need of rehabilitation or conservation work" under the Tax Incremental Law as evidenced by the Project Plan.

2. The Initial Grant and Subsequent Grant are "project costs" under the Tax Incremental Law in multiple respects. *First*, the Initial Grant and Subsequent Grant are contributions made under sec. 66.1333(13), Wis. Stats., for the purpose of carrying out redevelopment and assisting in a redevelopment project. *Second*, the Initial Grant and Subsequent Grant are payments to be made that CITY's Common Council have found to be necessary or convenient for implementation of the TID 108 Project Plan, which is a valid "project cost" pursuant to sec. 66.1105(2)(f)1.i., Wis. Stats.

3. The Initial Grant and Subsequent Grant serve a public purpose by enhancing CITY's tax base, aiding in the creation or relocation of full-time jobs in CITY and inducing appropriate redevelopment of the Property.

4. The amounts of the Initial Grant and Subsequent Grant are the amounts determined by CITY to be necessary to induce the Project.

5. CITY is incurring the Initial Grant and Subsequent Grant as limited and conditional monetary obligations to pay for "project costs" under the Tax Incremental Law and CITY's administrative costs in issuing the Initial Grant and

Subsequent Grant are “project cost[s],” within the meaning of sec. 66.1105(2)(f)1.e., Wis. Stats.

B. RACM. RACM makes the following findings and representations:

1. CITY is assisting RACM in improvement and redevelopment of the Property in accordance with the Project Plan.

2. It is not necessary for RACM to acquire the Property for the purpose of assisting private acquisition, improvement, and development of the Property. Section 66.1333(5)(c)1r., Wis. Stats., gives RACM the same duties, powers, and privileges as if RACM had acquired the Property.

3. RACM endorses the Initial Grant and Subsequent Grant as contributions made for the purpose of carrying on redevelopment and assisting in a redevelopment project.

C. DEVELOPER. DEVELOPER declares that “but for” the Initial Grant it would not undertake the Initial Project and “but for” the Subsequent Grant, it would not undertake the Expansion.

ARTICLE V

DEVELOPER EMPLOYMENT PROJECTIONS

5.1 After receiving the Initial Grant through and until the Termination Date, DEVELOPER shall cause the Annual Employment Report to be provided to CITY to substantiate the number of FTEs at the Property annually by March 1st for the previous fiscal year as of December 31st. The first Annual Employment Report for the Project shall be due by March 1, 2022, for the period of April 30, 2021 through March 1, 2022 (“Year 1” of the Projected Workforce Timeline). Notwithstanding the foregoing, for all subsequent years, the annual report shall be due on March 1 for the immediately preceding fiscal year of January 1 through December 31.

5.2 CITY shall review the Annual Employment Reports of DEVELOPER and determine whether DEVELOPER has met the Projected Workforce Timeline for that particular year. Within 30 days of receipt of the Annual Employment Report, CITY shall notify DEVELOPER in writing of such determination or may request additional information as reasonably necessary to make such determination. Annual Employment Reports (and Updated Employment Reports, as defined herein) shall be subject to audit by the CITY, at the CITY’s sole expense, after submittal of such reports. CITY’s audit rights shall be limited solely to the ability of CITY, or a third-party auditor hired by CITY, to annually review employment data collected and kept by DEVELOPER from which DEVELOPER creates the Annual Employment Reports and Updated Employment Reports. The purpose of the audit shall be limited to verification and certification that Annual Employment Reports and Updated Employment Reports are accurate. The review and audit rights hereunder shall not include audits or review of personal information such as names, addresses and social security numbers of employees or of any other data kept by

DEVELOPER that is unrelated to the information required to be reported in the Annual Employment Reports and Updated Employment Reports.

5.3 In the event CITY determines that DEVELOPER has not met the Projected Workforce Timeline in any given year (a “Jobs Shortfall”), CITY shall notify DEVELOPER of the amount of the Jobs Shortfall and DEVELOPER shall have 12 months to cure. At or before the end of the 12-month cure period, DEVELOPER shall cause to be provided to CITY an updated employment report containing the same format required for an Annual Employment Report, but showing the number of FTEs then-existing (the “Updated Employment Report”).

5.4 In the event the Updated Employment Report shows that the Projected Workforce Timeline has not been met following the 12-month cure period, DEVELOPER shall repay to CITY a portion of the Initial Grant that corresponds with a Shortfall Payment in an amount equal to \$10,000 multiplied by the number of FTEs short of the Projected Workforce Timeline following the 12-month cure period. The Shortfall Payment shall be made by DEVELOPER within 30 days following DEVELOPER’s receipt of written notice from CITY that such Jobs Shortfall is uncured and the amount of the Shortfall Payment that is owed as a result. The Shortfall Payment shall be the sole and exclusive remedy for DEVELOPER’s failure to meet the Projected Workforce Timeline. However, DEVELOPER’s failure to make a Shortfall Payment shall be considered an Event of Default under Article XI of this Agreement and subject to remedies under Article XII of this Agreement, provided such remedies are not inconsistent with this Section.

5.5 A Shortfall Payment only applies in the first year that a Job Shortfall occurs and is not a continuing, cumulative payment requirement if the Job Shortfall continues in subsequent years. For example: if the Annual Employment Report for Year 4 (2024) reflects 850 FTEs, DEVELOPER shall have 12 months to cure the Jobs Shortfall of 100 FTEs. If, at the end of the 12-month cure period, DEVELOPER files the Updated Employment Report and still only has 850 FTEs, DEVELOPER shall make a one-time Shortfall Payment to the CITY of $\$1,000,000 = [(950 - 850) \times \$10,000]$ for the Year 4 (2024) Jobs Shortfall. If the Year 5 (2025) Annual Employment Report shows 850 FTEs and an Updated Employment Report filed following a 12-month cure period continues to show only 850 FTEs for Year 5 (2025), DEVELOPER shall make an additional one-time Shortfall Payment to the CITY of $\$1,500,000 = \{(1,100 - 850) \times \$10,000\}$ less the \$1,000,000 repaid for the Year 4 (2024) shortfall}.

5.6 Seventy-five percent (75%) of all Shortfall Payments made by DEVELOPER to CITY under this Article V (“Shortfall Reimbursement Amount”) shall increase the value of the Monetary Obligation and be repaid to DEVELOPER pursuant to the provisions of Article VI, below.

ARTICLE VI

SUBSEQUENT GRANT AND MONETARY OBLIGATION

6.1 The Subsequent Grant shall not be earned by DEVELOPER and CITY's Monetary Obligation to pay the Subsequent Grant to DEVELOPER shall not exist until all of the following first occur:

- A. DEVELOPER completes the Initial Project;
- B. DEVELOPER completes the Expansion and submits to the Executive Director a certification reasonably detailing project costs incurred for the Expansion (together with copies of the occupancy permit and records, invoices and/or AIA documentation evidencing such expenditures) which the Executive Director shall review and, if they reasonably find that the Expansion has been Substantially Completed, declare in writing to DEVELOPER that the Project has reached Substantial Completion;
- C. CITY is fully reimbursed for the total amount of the Initial Grant plus CITY's annual expenses of \$7,500 and associated debt service costs by tax incremental revenue generated by the Property and by Shortfall Payments, if any, made by DEVELOPER; and
- D. DEVELOPER has employed or relocated more than 1,210 FTEs to the Property.

6.2 Once the Subsequent Grant is earned, either partially or fully, the amount of the Monetary Obligation shall be calculated as follows:

- A. For each FTE over the 1,210 required as part of the Initial Project, \$10,000 shall be added to the Monetary Obligation up to 790 additional FTEs for a maximum of \$7,900,000 added to the Monetary Obligation. The maximum amount of the Subsequent Grant shall not be earned by DEVELOPER until DEVELOPER has and continues to maintain or cause to be maintained a total of 2,000 FTEs for the Project. DEVELOPER shall submit Annual Employment Reports to CITY to report the number of FTEs each year in the same manner required for the Initial Project. If the number of FTEs decreases in any year beyond a 12-month cure period, the amount of the Monetary Obligation shall be reduced by \$10,000 for each FTE lost.
- B. The Shortfall Reimbursement Amount, if any, shall be added to the Monetary Obligation.
- C. From the time that the Expansion is Substantially Completed, the outstanding, unpaid balance of the Monetary Obligation shall incur interest at the Interest Rate annually for a period of up to 20 years from the creation of TID 108. However, any Shortfall Reimbursement Amount added to the Monetary Obligation shall not incur interest.

6.3 The Monetary Obligation shall be paid annually, but only if there is tax incremental revenue from the Property available to pay the Monetary Obligation. CITY will deposit an amount equal to 100% of the tax incremental revenue actually received by CITY from TID No. 108 minus annual expenses of \$7,500, into a special fund established for TID No. 108 to be used exclusively for payment of the Monetary Obligation. Annual payments shall be paid to DEVELOPER no later than June 1 each year from such special fund. However, CITY may, at any time or from time to time, without notice, penalty, or fee, prepay all or any portion of the Monetary Obligation.

6.4 Payments made by CITY to DEVELOPER for the Monetary Obligation shall be attributed first to payment of the accrued interest, then to payment of the Subsequent Grant, and lastly to payment of the Shortfall Reimbursement Amount.

6.5 Any amount of the Monetary Obligation that is unpaid in one year shall carry over to the next year; however, any obligation to repay any amount that is unpaid after the termination of TID No. 108 shall be extinguished, and no further amount shall be due from CITY under this Agreement or otherwise.

6.6 CITY's Monetary Obligation will terminate: (i) at the time the Subsequent Grant, any Shortfall Reimbursement Amount, and all accrued interest is fully paid to the DEVELOPER; or (ii) with the payment made using tax incremental revenue derived from the 2040 tax levy, payable in 2041, whichever occurs first.

6.7 For the purposes of the Tax Increment Law, this Agreement is an evidence of indebtedness; that is, it fully evidences CITY's obligation to pay the Monetary Obligation. No negotiable instrument is being prepared to separately evidence the Monetary Obligation. The Monetary Obligation shall not, however, be included in the computation of CITY's constitutional debt limitation because the Monetary Obligation is limited and conditional and because no taxes have been or will be levied for or pledged to its payment. Nothing in this Agreement shall be deemed to change the nature of CITY's obligation from a limited and conditional obligation to a general obligation.

ARTICLE VII

INSPECTIONS

7.1 DEVELOPER and its contractors and subcontractors shall be solely responsible for the completion of the Project. Nothing contained in this paragraph shall create or affect any relationship between CITY or RACM, on the one hand, and any contractor or subcontractor employed by DEVELOPER, on the other hand, in design and construction of the Project.

7.2 Upon notice and during normal business hours, RACM may make reasonable inspections of the Project, including but not limited to inspections on behalf of RACM by CITY's Department of Public Works, Department of City Development, Department of Neighborhood Services, and City Assessor during construction, provided that such inspections do not interfere with the progress of the Project. In order to allow RACM and CITY agencies to undertake these

inspections in a meaningful fashion, DEVELOPER shall, upon request, provide RACM with any change orders and shop drawings relating to the Project.

7.3 In the event that the Executive Director determines, as a result of such inspections, that DEVELOPER's contractors or subcontractors are not constructing the Project in accordance with the Final Plans, the Executive Director shall promptly inform DEVELOPER of such noncompliance and DEVELOPER shall, as soon as reasonably possible, review the matter, and, if deemed necessary by DEVELOPER, require its contractors or subcontractors to remedy such noncompliance.

ARTICLE VIII

CERTIFICATE OF COMPLETION

8.1 Upon completion of the Project, DEVELOPER shall provide RACM with a copy of the occupancy permits for the Project and a signed certification from its architect or general contractor, or another person acceptable to the Executive Director, stating that the Project, as constructed, is in compliance with the Final Plans. Upon receiving this documentation and confirming that Substantial Completion has been met, RACM shall furnish DEVELOPER with the Certificate of Completion.

8.2 The Certificate of Completion shall constitute a conclusive determination of satisfaction and termination of the covenants and agreements listed in this Agreement, except those terms that have a different termination date or that run with the land as described in this Agreement. The Certificate of Completion shall be in recordable form and may be recorded by DEVELOPER, or its Affiliate, at its discretion and cost.

8.3 No Certificate of Completion shall be issued until all phases of the Project are completed, unless DEVELOPER notifies RACM and CITY of its intent to not undertake the Expansion. If DEVELOPER starts the Expansion, it must substantially complete it in order to obtain the Certificate of Completion.

ARTICLE IX

RESTRICTIONS ON USE

9.1 Prior to the Termination Date, DEVELOPER agrees for itself, and its successors and assigns and Affiliates, and every successor in interest to the Property or any part thereof, to: devote the Property only to uses compatible with the applicable zoning, but shall not be precluded in any way from thereafter changing the use of the Property, or any portion of it, in any manner consistent with applicable ordinances, covenants, or waivers related to applicable ordinances or covenants; and

9.2 DEVELOPER also agrees for itself and Affiliates not to discriminate upon the basis of race, color, creed, sex, national origin or sexual orientation in the sale, lease or rental, use or occupancy of any portion of the Property, or any improvements located or to be located thereon.

ARTICLE X

PROHIBITION AGAINST TRANSFER OF PROPERTY WITHOUT RACM CONSENT

DEVELOPER has not made or created, and will not, prior to the issuance of the Certificate of Completion, make or create or suffer to be made or created any partial or total sale, assignment, conveyance, trust or power or transfer in any other mode or 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, without the prior written approval of the Executive Director (which approval shall not be unreasonably withheld) unless DEVELOPER remains liable and bound by this Agreement in which event the Executive Director's approval is not required. Notwithstanding the foregoing, DEVELOPER or its Affiliate may: (i) collaterally assign this Agreement to DEVELOPER's or Affiliates' mortgage lender(s), if any; or (ii) assign or transfer all or any portion of the Property and all or any portion of its rights under this Agreement to an Affiliate. Any transfer described in this Article X shall be subject to the provisions of this Agreement, such that DEVELOPER, its Affiliate, or the transferee shall comply with the requirements of this Agreement. DEVELOPER shall provide written notice to RACM within 10 days of any assignment or transfer, of any nature, under this Article X.

ARTICLE XI

DEFAULT PROVISIONS

If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default" under and for purposes of this Agreement.

11.1 Any Party shall default in the performance or observance of any of the covenants, agreements or conditions on the part of such Party set forth in this Agreement and the continuance thereof for 30 days following receipt of written notice from another Party specifying such default and requesting that it be corrected; provided, however, if such default is of a nature such that it cannot be cured in such 30-day period, the defaulting Party shall have such time as is reasonably necessary to cure such default provided such Party is diligently and in good faith proceeding to cure such default.

11.2 Any Party shall:

- A. Become insolvent; or
- B. Be unable or admit in writing its inability to pay its debts as they become due, or
- C. Make a general assignment for the benefit of creditors or to an agent authorized to dissolve a substantial amount of its property; or
- D. Become subject (either voluntarily or involuntarily) to an order for relief within the meaning of the bankruptcy code and, in the case of an involuntary application, such order is not vacated within 90 days of such order; or

- E. File a petition to effect a plan or other arrangement with creditors; or
- F. File an answer to a creditor's petition, admitting the material allegations thereof, for dissolution, reorganization or to effect a plan or other arrangements with creditors; or
- G. Apply to a court for the appointment of a receiver for any of its assets; or
- H. Have a receiver appointed for any of its assets (with or without consent) and such receiver shall not be discharged within 90 days after appointment; or
- I. Otherwise become the subject of any federal or state bankruptcy or insolvency proceedings, which proceedings are not discharge within 90 days after the initiation of such proceedings.

ARTICLE XII

REMEDIES

If an Event of Default shall occur, and after notice and the period to cure as provided for in this Agreement, the aggrieved Party may terminate this Agreement and/or pursue any available remedy, either at law or in equity, against the Party in default. Application of this Article XII to Events of Default arising out of DEVELOPER's failure to comply with Section 3.1.H of this Agreement shall be subject to and limited by the provisions of Section 66.0134, Wis. Stats. This Article XII shall not apply to Events of Default where other remedies are provided elsewhere in this Agreement.

ARTICLE XIII

INSURANCE

DEVELOPER shall provide, or cause to be provided, general liability insurance in the types and amounts set forth on **EXHIBIT H** attached hereto and made a part of this Agreement. DEVELOPER shall furnish RACM and CITY a certificate or certificates of insurance naming RACM and CITY as additional insureds with respect to the insurance provided pursuant to this Article XIII. The certificates shall provide that the insurance company will furnish RACM and CITY with a 10 day written notice of cancellation, non-renewal or material change. The above insurance requirements shall include CITY and RACM, to the extent CITY and RACM have an insurable interest. DEVELOPER's obligations with respect to this Article XIII shall terminate with the issuance of the Certificate of Completion.

ARTICLE XIV

INDEMNIFICATION

DEVELOPER shall indemnify and hold harmless RACM and CITY, their officers, employees, officials and agents (collectively, the "Indemnified Parties") from and against any and all losses, claims, damages, expenses and all suits in equity or actions at law (including

reasonable attorney fees and costs) and liabilities arising from, in connection with, or as a result of the operation, construction or maintenance of the Project or any actions of DEVELOPER undertaken pursuant to this Agreement. Nothing in the foregoing indemnity shall protect the Indemnified Parties against their own default, negligence or misconduct. The indemnification covenants made by DEVELOPER in this Article XIV shall terminate upon the issuance of the Certificate of Completion; provided that said covenants shall continue to be effective thereafter with respect to all claims, whenever asserted, which are based on acts, omissions or other events which occurred prior to the issuance of the Certificate of Completion.

ARTICLE XV

FORCE MAJEURE

If any Party is delayed or prevented from the performance of any act or misses any deadline required by this Agreement or the Project Documents by Force Majeure, then performance of such act or the meeting of such deadline shall be excused for the period of such Force Majeure delay, and the time for the performance of any such act or meeting of such deadline shall be extended for a period equivalent to such delay plus any necessary additional period to remobilize. No Party to this Agreement shall be considered in breach or default of its obligations under this Agreement in the event of an unavoidable delay applicable to that Party as described in this Article XV.

ARTICLE XVI

CONFLICT OF INTEREST: REPRESENTATIVES NOT INDIVIDUALLY LIABLE

No member, official, agent or employee of RACM or CITY shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such member, official, agent or employee participate in any decision relating to this Agreement which affects such person's personal interests or the interests of any corporation, partnership or association in which such person is, directly or indirectly, interested. No member, official, agent or employee of RACM or CITY shall be personally liable to DEVELOPER, 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 DEVELOPER, under the terms of this Agreement.

ARTICLE XVII

MORTGAGEES NOT OBLIGATED TO CONSTRUCT

It is understood and agreed that DEVELOPER or Affiliate(s) may mortgage the Property or portions thereof in conjunction with the issuance of loans or any other debt, whether initial financing or refinancing of the Project, in order to provide financing for the Project (the mortgagee in connection with such financing being a "Permitted Mortgagee"). Notwithstanding any of the provisions of this Agreement, including but not limited to those which are intended to be covenants running with the land, a Permitted Mortgagee or any affiliate of a Permitted

Mortgagee that obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof shall not be obligated by the provisions of this Agreement to complete the construction or to guarantee such construction; nor shall any covenant or any other provision in this Agreement be construed to so obligate such a party. This Article XVII shall not apply to (a) any other party who thereafter obtains title to the Property or any portion of the Property from or through a Permitted Mortgagee or its affiliate or (b) any other purchaser of the Property or any portion of the Property at a foreclosure sale, or other action in lieu thereof, other than a Permitted Mortgagee or its affiliate.

ARTICLE XVIII

NOTICES

Any notice required to be sent to any Party shall be in writing and forwarded to the following, as applicable:

CITY:

City of Milwaukee
809 North Broadway
Milwaukee, WI 53202
Attn: Commissioner of City Development

With a copy to:

Office of City Attorney
800 City Hall
200 East Wells Street
Milwaukee, WI 53202
Attn: Jeremy McKenzie

RACM:

Redevelopment Authority of the City of Milwaukee
809 North Broadway
Milwaukee, WI 53202
Attn: Executive Director/Secretary

DEVELOPER:

Schwer, Pflicht, & Werkzeug Properties, LLC
c/o James Anderson, Senior Corporate Counsel
13135 West Lisbon Road
Brookfield, WI 53005

ARTICLE XIX

RECORDS

20.1 DEVELOPER shall keep accurate, full and complete books and accounts with respect to the costs incurred for the Project and shall include a provision in all its contracts for the Project requiring its contractors and subcontractors to do the same. All such books and accounts shall be maintained in accordance with generally accepted accounting principles consistently applied, and shall be kept for a period of seven years subsequent to Substantial Completion.

20.2 CITY's Comptroller shall have the right, upon reasonable notice to DEVELOPER, its contractors or subcontractors as the case may be, to examine the books and accounts of DEVELOPER, its contractors or subcontractors relating to the Improvements during normal business hours but not more often than once every six months.

20.3 CITY and RACM are subject to the requirements of the Wisconsin Public Records Law. Wis. Stats. §§ 19.31-39. Under this statute, all documents and records are subject to public disclosure, unless there is a statutory, common law, or public policy reason for nondisclosure. In the event that CITY or RACM receives a public records request for confidential information provided pursuant to this Agreement, DEVELOPER's claim of confidentiality will be considered in conjunction with the requirements of the Wisconsin Public Records Law as to whether or not to release such materials. In all cases, the Parties will abide by the requirements of the Wisconsin Public Records Law. CITY and RACM agree to provide notice to DEVELOPER in the event that they receive such a request, or in the event of the initiation of legal action to compel the release of such records.

ARTICLE XXI

MISCELLANEOUS PROVISIONS

21.1 Limitations of Waivers. If any term contained in this Agreement should be breached by any Party and thereafter waived by another Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive the same or other or any future breach hereunder on any other occasion. No remedy herein conferred upon or reserved to any Party is intended to be exclusive (unless expressly so stated) of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity or by virtue of other contracts unless otherwise expressly stated. No delay or omission to exercise any right or power occurring upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient. To entitle any Party to exercise any remedy reserved or available to it, it shall not be necessary to give any notice other than such notice as may be expressly required by this Agreement.

21.2 Amendments. This Agreement shall not be amended, changed, modified, altered or terminated without the written consent of all Parties.

21.3 Successors. Except as provided in Article XVII of this Agreement, it is intended and agreed that, until the Termination Date, the covenants of DEVELOPER, for itself and on behalf of its Affiliates, provided in this Agreement shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, RACM and CITY, against DEVELOPER or any successor to DEVELOPER's or Affiliate's interest in the Property.

21.4 Governing Law and Termination. The laws of the State of Wisconsin shall govern this Agreement. This Agreement shall terminate on the Termination Date.

21.5 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, in all cases because the provision conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections of this Agreement shall not affect the remaining portions of this Agreement, or any part thereof.

21.6 Approvals. Whenever this Agreement requires the consent or approval of RACM or allows the discretion of RACM to be exercised, the Executive Director shall have the authority to provide such consent or approval or to exercise such discretion. Whenever in this Agreement the consent or approval of CITY is required or the discretion of CITY may be exercised, the DCD Commissioner shall have the authority to provide such consent or approval or to exercise such discretion, except as otherwise provided in this Agreement. Any and all approvals and consents required of any Party hereunder shall not be unreasonably withheld or unduly delayed and shall be granted or withheld consistent with the agreements of the Parties set forth in this Agreement with respect to the nature and scope of the development of the Project. DEVELOPER is relying upon this provision as a material term of this Agreement. This Section 21.6 shall not apply to amendments to this Agreement. Such amendments shall require the approval of CITY's Common Council and RACM's Board of Commissioners.

21.7 Assignment. No Party may assign any of its interest herein or obligations hereunder, without the prior written consent of all other Parties, not to be unreasonably withheld; provided, however, that DEVELOPER may assign certain of its rights and obligations in this Agreement to Affiliates to facilitate development and operation of the Project.

21.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument. Any Party may execute this Agreement by facsimile or email; provided that the Party provides an original of the facsimile or email signature to each other Party within five calendar days of transmission of the facsimile signature.

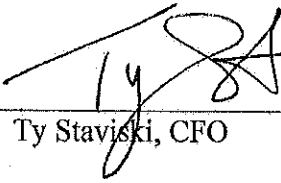
21.9 Recording. Any Project Documents to be recorded with the Register of Deeds Office shall be recorded at DEVELOPER's expense.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

SIGNATURES ON NEXT PAGE

**SCHWER, PFLICHT, & WERKZEUG
PROPERTIES, LLC**

CITY OF MILWAUKEE

By: 
Ty Staviski, CFO

Tom Barrett, Mayor

James R. Owczarski, City Clerk

COUNTERSIGNED:

Aycha Sawa, Comptroller

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**

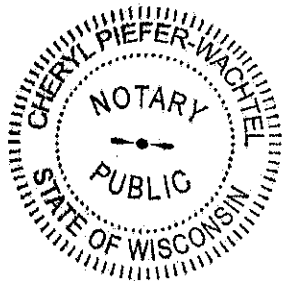
Frances Hardrick, Chairperson


David P. Misky, Assistant Executive
Director/Secretary

STATE OF WISCONSIN)
Waukesha)SS.
MILWAUKEE COUNTY)

Personally came before me this 19 day of May, 2021, Ty Staviski, the CFO, of Schwer, Pflicht, & Werkzeug Properties, LLC, to me known to be the person who executed the foregoing instrument, and to me known to be such CFO of Schwer, Pflicht, & Werkzeug Properties, LLC, and acknowledged that he executed the foregoing instrument as such officer of Schwer, Pflicht, & Werkzeug Properties, LLC.

(SEAL)




Notary Public, State of Wisconsin
My Commission expires 7/31/23


**SCHWER, PFLICHT, & WERKZEUG
PROPERTIES, LLC**

CITY OF MILWAUKEE

By: _____
[Name / Title]



Tom Barrett, Mayor



James R. Owczarski, City Clerk

COUNTERSIGNED:

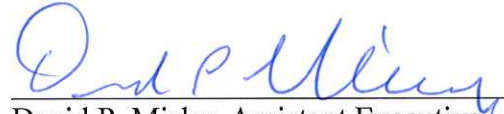


Aycha Sawa, Comptroller

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**



Frances Hardrick, Chairperson



David P. Misky, Assistant Executive
Director/Secretary

STATE OF WISCONSIN)
)SS.
MILWAUKEE COUNTY)

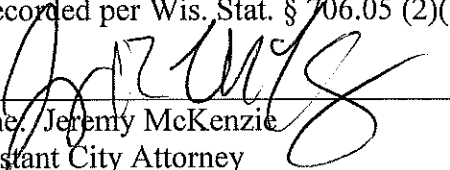
Personally came before me this _____ day of _____, 2021, _____, the
_____, of Schwer, Pflicht, & Werkzeug Properties, LLC, to me known to be
the person who executed the foregoing instrument, and to me known to be such
_____ of Schwer, Pflicht, & Werkzeug Properties, LLC, and acknowledged that he
executed the foregoing instrument as such officer of Schwer, Pflicht, & Werkzeug Properties, LLC.

(SEAL)

Notary Public, State of Wisconsin
My Commission _____

CITY ATTORNEY APPROVAL/AUTHENTICATION

Jeremy McKenzie, as a member in good standing of the State Bar of Wisconsin, hereby approves the signatures of the City representatives above per M.C.O. § 304-21, and also authenticates the signatures of those City representatives/signatories per Wis. Stat. § 706.06 so this document may be recorded per Wis. Stat. § 706.05 (2)(b).

By: 
Name: Jeremy McKenzie
Assistant City Attorney
City Attorney's Office
State Bar No. 1051310
Date: 5/18/2021

Mary L. Schanning, as a member in good standing of the State Bar of Wisconsin, hereby authenticates the signatures of Frances Hardrick, Chairperson, and David P. Misky, Assistant Executive Director/Secretary, of the Redevelopment Authority of the City of Milwaukee pursuant to Wis. Stat. §706.06 so this document may be recorded per Wis. Stat. §706.05(2)(b).

Dated this 20th day of May, 2021.

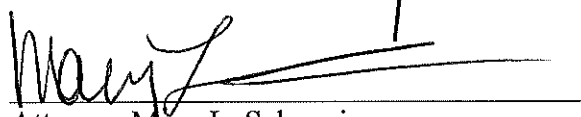

Attorney Mary L. Schanning
State Bar No. 1029016

EXHIBIT A

Lots 1 to 16 inclusive in Block 78, together with all vacated alleys adjoining said premises in the Plat of the Town of Milwaukee on the West side of the River in the Southeast 1/4 and Southwest 1/4 of Section 29, Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

EXCEPT that part conveyed to the City of Milwaukee by Warranty Deed Nos. 4378506 and 5178334 and further except that part of Block 78, bounded and described as follows:

Beginning at a point in the North line of West Clybourn Street 42 feet West from the corner of North Fifth Street; thence East along the former North line of West Clybourn Street, 42 feet to the former corner of North Fifth Street; thence North along the former West line of North Fifth Street, 38 feet; thence Southwesterly to the place of beginning.

Tax Key No.: 361-0814-122

Property Address: 501 West Michigan Street

EXHIBIT B

Annual Employment Report Form

Annual Employment Report Form

**Employee Compliance Certificate
Milwaukee Tool**

Full Time Equivalent Employees (FTEs) as of _____, 20__
(FTEs are defined in the Cooperation, Contribution and Redevelopment Agreement (Milwaukee Tool Project), dated _____, 2021)

FTEs Directly Employed by Developer or an Affiliate: _____
FTEs Employed by Contractors or Consultants of Milwaukee Tool: _____
TOTAL FTE Positions: _____

Residency (% FTEs who live in the City of Milwaukee): _____%

Gender of FTEs*:
_____ % Female
_____ % Male
_____ % Do not identify as either Male or Female or prefer not to answer

Wages of FTEs (hourly rates converted to an annual income)*:
_____ % \$40,000 or below
_____ % \$40,000 - \$75,000
_____ % \$75,000 - \$150,000
_____ % \$150,000 and above

Race of FTEs*:
_____ % American Indian or Alaskan Native
_____ % Asian
_____ % Black or African American
_____ % Hispanic or Latino
_____ % Native Hawaiian or Other Pacific Islander
_____ % White
_____ % Multiracial

*For the demographic questions above, Milwaukee Tool may provide percentages based on all of its SE Wisconsin locations, but must also include percentages specific to the Property and any other locations it may have within the City of Milwaukee limits.

I have reviewed the above employment and hereby certify that the information is correct:

Milwaukee Tool

Name: _____
Title: _____
Phone: _____
Signature: _____
Date: _____

EXHIBIT C

Document Number	CERTIFICATE OF COMPLETION
Document Title	
CERTIFICATE OF COMPLETION	
	Recording Area
	Name and Return Address

Parcel Identification Number (PIN)

Project: TID 108 – 5th & Michigan
Site Address: 501 W. Michigan Street, Milwaukee, WI 53202
Developer: Milwaukee Electric Tool Company
Agreement:
Legal Description:

THIS IS TO CERTIFY that the undersigned, on behalf of the Redevelopment Authority of the City of Milwaukee, have caused the inspection of the Property and physical improvements constructed thereon, and that construction of said physical improvements has been completed in accordance with plans submitted pursuant to the Cooperation, Contribution and Development Agreement (Milwaukee Tool Project) dated as of _____, 2021 (the "Agreement").

THIS CERTIFICATE when signed by the Redevelopment Authority of the City of Milwaukee shall constitute a conclusive determination of satisfaction and termination of the agreements and covenants in Agreement with respect to the obligations of Developer, and its successors and assigns to construct improvements on the Property.

ISSUANCE OF THIS CERTIFICATE shall mean that the Property may be conveyed, mortgaged or leased and that any party purchasing or leasing the Property shall not incur any obligation with respect to the construction of improvements on the Property and that neither the Redevelopment Authority of the City of Milwaukee nor any other party shall thereafter have or be entitled to exercise any rights or remedies or controls with respect to the Property that it might otherwise have or be entitled to exercise with respect to the Property as a result of a default in or breach of any provision of the Agreement.

Dated at Milwaukee, Wisconsin this ____ day of _____, 20__.

(SEAL)

**REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE**

_____, Chairperson

Assistant Executive Director-Secretary

STATE OF WISCONSIN)
)SS.
MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 20__, _____, Chairperson, and _____, Assistant Executive Director-Secretary of the above-named Redevelopment Authority of the City of Milwaukee, to me known to be the persons who executed the foregoing instrument, and to me known to be such Chairperson and Assistant Executive Director-Secretary of said Redevelopment Authority of the City of Milwaukee, and acknowledged that they executed the foregoing instrument as such officers as the deed of said Redevelopment Authority by its authority.

(SEAL)

Notary Public, State of Wisconsin
My Commission _____

This document was drafted by Mary L. Schanning, Real Estate Compliance Liaison Officer, City of Milwaukee.

EXHIBIT D

Human Resources Agreement

HUMAN RESOURCES AGREEMENT

(TID 108-Milwaukee Tool)

**HUMAN RESOURCES AGREEMENT
(TID 108-Milwaukee Tool)**

This Human Resources Agreement (“Agreement”) is entered into as of May 21, 2021, by and between the City of Milwaukee (“CITY”); and Schwer, Pflicht, & Werkzeug Properties, LLC, a Wisconsin limited liability company (the “DEVELOPER”).

WHEREAS, the parties to this Agreement acknowledge and understand that this Agreement is executed in conjunction with the Cooperation, Contribution and Redevelopment Agreement for Tax Incremental District No. 108 (5th and Michigan) dated May 21, 2021, (the “Development Agreement”) executed by the parties in connection with the implementation of a development project and specifically with regard to the Initial Project and the Expansion, as those terms are defined in Article II of the Development Agreement, located at 501 W. Michigan Street;

WHEREAS, DEVELOPER acknowledges that CITY has established policies regarding the utilization of SBEs (defined below), in Chapters 355 and 370 of the Milwaukee Code of Ordinances (“MCO”); and,

WHEREAS, DEVELOPER acknowledges that CITY has established policies regarding the utilization of unemployed and underemployed CITY residents in development projects pursuant to sec. 355-7 of the MCO; and,

WHEREAS, DEVELOPER acknowledges that approval and execution of the Development Agreement was conditioned upon the DEVELOPER agreeing to meet or causing to be met the requirements of this Agreement with respect to the development of the PROJECT, as defined below.

NOW, THEREFORE, the parties agree as follows:

I. DEFINITIONS

1. SBE is a business that has been certified by the City of Milwaukee Office of Equity & Inclusion (“OEI”) as a Small Business Enterprise based on the requirements of sec. 370-25 of the MCO.

2. FIRST-SOURCE EMPLOYMENT PROGRAM means an employment program operated by CITY or its designee based on sec. 355-11 of the MCO which is to be utilized as contractors’ first source for recruiting applicants for both new and replacement employment.

3. JOINT VENTURE is an association of two 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.

4. PROJECT, as used in this Agreement, means the Initial Project and the Expansion, as those terms are defined in Article II of the Development Agreement, located at 501 W. Michigan Street, Milwaukee, Wisconsin.

5. PROJECT COSTS means all costs of the PROJECT, but less and excluding all costs associated with the purchase, lease or right to use any land; permit fees paid to CITY or any other governmental entity or quasi-governmental entity; utility company fees; financing and interest expenses; insurance premiums; other work not contracted through DEVELOPER and over which DEVELOPER does not have direction or control in the selection of contractors or material providers for the same; and ;other costs approved by DEVELOPER and the OEI, with such approval not being unreasonably withheld. DEVELOPER or its representatives and the OEI shall meet and confer to determine the eligible PROJECT COSTS for such phase or portion of the PROJECT.

6. RPP means CITY's Resident Preference Program as described in sec. 355-7 of the MCO.

II. SMALL BUSINESS ENTERPRISE PROGRAM

In accordance with sec. 355-13-4 of the MCO, DEVELOPER shall, in developing and constructing the PROJECT, utilize or cause utilization of SBEs for no less than 25% of the total PROJECT construction and supply costs and 18% of the amounts expended for the purchase of professional services (architecture, engineering, etc.) for the PROJECT that are subject to the SBE requirements pursuant to Chapter 355 of the MCO as summarized in **Exhibit A "Categories of Work."** Prior to the commencement of the Initial Project and again before the commencement of the Expansion should DEVELOPER decide to commence the Expansion), DEVELOPER or its representatives and the OEI shall meet and confer to determine the eligible PROJECT COSTS that are subject to the SBE requirements pursuant to Chapter 355 of the MCO.

A. DEVELOPER from and after the date of this Agreement and in conjunction with the implementation of the PROJECT, shall undertake the following activities or cause such activities to be undertaken:

1. Advertise in general circulation and trade association media, as well as in community newspapers regarding contracting and subcontracting opportunities. Advertising in the Daily Reporter and two other publications listed on **Exhibit B "SBE Marketing Plan – Publications/Advertising Contacts"** shall be the minimum acceptable level of performance. . DEVELOPER shall submit copies of the advertisements to the OEI as proof of compliance with this section. Advertisements shall be submitted to OEI for review prior to publication.

2. Provide interested SBEs and the agencies listed in **Exhibit C "SBE Marketing Plan – Community Agency Contacts"** with adequate information about the PROJECT plans, specifications, and contract/subcontract requirements at least ten business days prior to the date the contract bidding process commences. DEVELOPER or its contractor shall document Community Agency Contacts by completing the Contact Sheet attached as **Exhibit C1 "SBE Contact Sheet"** and submitting it to the OEI prior to commencement of the bidding process.

3. Complete and submit **Exhibit D “Form A – Contractor Compliance Plan”** to the OEI upon execution of the prime contractor’s contract, if any, or upon commencement of construction.

4. Conduct pre-bid or selection conferences and a walk-through at least ten business days in advance of the date bids are due.

5. Provide written notice of the PROJECT to all pertinent construction trade and professional service SBEs listed in the current City of Milwaukee Directory soliciting their services in sufficient time (at least ten business days) to allow those businesses to participate effectively in the contract bidding or selection process. To identify SBEs for the PROJECT, utilize the current *Official City of Milwaukee SBE Directory* published by the OEI. The directory can be accessed on-line at:

<https://milwaukee.diversitycompliance.com/FrontEnd/VendorSearchPublic.asp?TN=milwaukee&XID=2276>

6. Follow-up with SBEs who show an interest in the PROJECT during the initial solicitation process and document contact with SBE firms using **Exhibit E “SBE Solicitation Form.”**

7. Select trade and professional service areas for SBE awards wherein the greatest number of SBEs exist to perform the work, thereby increasing the likelihood of contracts or subcontracts being awarded to SBEs. Where appropriate, split contracts or subcontracts into smaller, economically feasible units to facilitate SBE participation.

8. Negotiate in good faith with interested SBEs, not reject SBE bids or proposals as unqualified or too high without sound reasons based on a thorough review of the bid or proposal submitted and maintain documentation to support the rejection of any SBE bid or proposal. Bids that are not cost effective and/or are not consistent with the PROJECT schedule will be considered “rejectable.” Rejected bids or proposals shall be documented on **Exhibit F “SBE Rejection of Bid or Proposal Form.”**

9. Utilize the services available from public or private agencies and other organizations for identifying SBEs available to perform the work.

10. Include in the PROJECT bid, requests for proposals or selection documents and advertisements an explanation of PROJECT requirements for SBE participation to prospective contractors and subcontractors.

11. If possible, facilitate the following:

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

(b) Training relationships

(c) Mentor/protégé agreements

B. If the DEVELOPER exceeds or causes the exceedance of the 25% requirement for SBE participation for the construction, including supplies and non-professional services, for the Initial Project or the 18% requirement for SBE participation for the purchase of professional services for the Initial Project, whether commenced before or after the date hereof, the additional participation can be counted towards the SBE requirements for the Expansion, in the event DEVELOPER chooses to do the Expansion. If the DEVELOPER meets or exceeds 25% requirement for SBE participation for the construction, including supplies and non-professional services, for the entire PROJECT and the 18% requirement for SBE participation for the purchase of professional services for the entire PROJECT, whether commenced before or after the date hereof, it shall be deemed that DEVELOPER has achieved or exceeded CITY's SBE requirement with respect to that aspect of the PROJECT, for the purposes of fulfilling the terms of this Agreement.

C. Contract or subcontract amounts awarded to SBE suppliers, that do not manufacture products they supply, may only be counted for up to one-fifth of the entire SBE participation requirement for construction supplies described in subsection B, above.

D. If DEVELOPER finds an SBE firm outside of the initial solicitation process for the PROJECT as described in subsections A.2, 4 and 5, above, use of such SBE for the PROJECT will count towards the required SBE participation requirement for the PROJECT as long as the SBE is identified in **Exhibit D** when completed for the PROJECT and submitted to OEI.

III. RESIDENT PREFERENCE PROGRAM

A. DEVELOPER shall, in developing and constructing the PROJECT, utilize unemployed or underemployed residents, as defined in sec. 355-1-3 of the MCO, for no less than 40% of the total onsite "worker hours" expended on "Construction," as those terms are defined in sec. 309.41 of the MCO,¹ included in PROJECT COSTS but less and excluding all non-Construction PROJECT COSTS.

1. In accordance with sec. 355-7-2-a of the MCO, DEVELOPER shall provide or cause its contractor to provide to the OEI a city resident utilization plan and gap analysis detailing how the 40% resident utilization requirement will be achieved using the form attached as **Exhibit H** or a report containing the same information as described on **Exhibit H**.

2. In accordance with sec. 355-7-2-a-1 of the MCO, at least one-quarter of the 40% resident utilization requirement shall be performed by unemployed or underemployed

¹ The definition of "Construction" shall mean "Construction" as defined in sec. 309.41 of the MCO, but as modified to reflect the private nature of the PROJECT.

residents who maintain their permanent residence in zip codes established as high-poverty. Every worker hour exceeding this requirement shall count for 1.5 hours toward the overall 40% resident utilization requirement for the PROJECT.

3. In accordance with sec. 355-7-2-a of the MCO, up to one-third of the 40% resident utilization requirement may be achieved by documenting the use of unemployed and underemployed residents on projects undertaken by or on behalf of the DEVELOPER or any affiliate of DEVELOPER where such compliance is not required or by hiring unemployed or underemployed residents on a full-time permanent basis for non-construction job categories connected to the PROJECT. Such adjustments must be proposed in an affidavit on a form provided by the OEI setting forth the facts upon which the request for adjustment is based.

4. In accordance with sec. 355-7-2-a-2 of the MCO, if DEVELOPER cannot meet the 40% resident utilization requirement, the appropriate level of participation may, at the discretion of the OEI, be met by utilizing unemployed or underemployed residents to work on concurrent projects in any Wisconsin county, provided those residents began their employment on projects in the City of Milwaukee.

B. DEVELOPER from and after the date of this Agreement and in conjunction with the PROJECT, shall undertake the following activities:

1. Listing and causing contractors and sub-contractors to list open positions with a FIRST SOURCE EMPLOYMENT PROGRAM hiring agency specified by the OEI.
2. Disseminating information provided by the OEI to all contractors and sub-contractors on how to recruit unemployed and underemployed residents.
3. Listing and causing contractors and sub-contractors to list job openings with Wisconsin Job Service, W-2 agencies and other agencies as specified by the OEI.
4. Working in cooperation with CITY, to identify other activities and steps to increase utilization of unemployed and underemployed residents on the PROJECT.
5. Disseminating the Employee Affidavit form, attached as **Exhibit G**, to all contractors and sub-contractors for their use in documenting RPP compliance.
6. Causing contractors and sub-contractors to participate in training on the CITY's LCP Tracker Labor Compliance Software.
7. Throughout the construction of the PROJECT, causing contractors and sub-contractors to provide timely payroll information, on at least a monthly basis, via LCP Tracker, including data on the race, gender, zip code, trade and hourly wage of unemployed and underemployed residents utilized in the PROJECT.

C. Prior to the commencement of the Initial Project and before the commencement of the Expansion (should DEVELOPER decide to commence the Expansion), DEVELOPER or its representatives and the OEI shall meet and confer to determine the eligible PROJECT COSTS that are subject to the mandatory RPP requirements consistent with Chapter 355 of the MCO.

D. DEVELOPER shall file or cause to be filed the reports attached as **Exhibit H “Construction RPP Hours Calculation”** to evidence compliance with RPP requirements with the OEI. All RPP reports shall be accompanied by supporting Employee Affidavits, in the form attached as **Exhibit G**.

E. Apprenticeship and On-The-Job Training Requirements. In accordance with sec. 355-9-1 of the MCO, DEVELOPER shall require its contractors and subcontractors on the PROJECT to employ apprentices and on-the-job trainees in the performance of all construction contracts and subcontracts for the PROJECT in accordance with the maximum ratio of apprentices to journeymen established by the Wisconsin Department of Workforce Development and in accordance with the following requirements:

1. One-quarter of the apprentices and on-the-job trainees required for the PROJECT as measured in worker hours, shall be unemployed or underemployed residents of the CITY. For every worker hour exceeding the requirements of this subsection, 1.5 hours shall be credited toward the 40% resident utilization requirement for the PROJECT.

2. Of the apprentice and on-the-job trainee worker hours required for the PROJECT under this section, at least 40% shall be attributable to unemployed or underemployed residents residing in zip codes established as high-poverty pursuant to sec. 355-9-1-a-2 of the MCO.

The requirements of this Section E are subject to sec. 355-9-1-b of the MCO. In the event that the OEI finds that the apprenticeship or on-the-job training are not appropriate for the PROJECT, the requirements of this section E may be waived or adjusted administratively by the OEI without the need for an amendment to this Agreement.

IV. SBE AND RPP REPORTING

DEVELOPER agrees to report to the OEI, CITY’s Common Council and the Zoning, Neighborhoods and Development Committee of the CITY’s Common Council on DEVELOPER’s utilization of SBEs and unemployed or underemployed residents in contracting activities for the PROJECT, pursuant to Chapters 355 and 370 of the MCO and in accordance with the requirements of this Agreement. In order to monitor the PROJECT’s SBE and RPP worker participation, DEVELOPER agrees to take or to cause its contractor to take the following steps:

A. After the date of this Agreement, but prior to the start of construction on the PROJECT, provide a list of all categories of work for each phase of the PROJECT, with budget allowances, for which bids will be solicited and highlight those categories, based upon DEVELOPER’s or its contractor’s knowledge and experience, which are conducive to SBE participation.

B. Provide the OEI with documentation supporting efforts extended to solicit bids from SBEs. Upon request, DEVELOPER or DEVELOPER's contractor shall make information related to SBE bids available to the OEI.

C. Submit an SBE/RPP Quarterly Report to OEI, on a quarterly basis regarding achievement of SBE and RPP standards for the duration of construction of the PROJECT using the form attached as **Exhibit I**. DEVELOPER shall include or cause its contractor to include a status report on RPP participation for the intermediate phases of the PROJECT already completed and compliance with the PROJECT benchmarks established as required by Section XI.B., below.

D. Upon request from the OEI, make a quarterly presentation to the Zoning, Neighborhoods and Development Committee of the CITY's Common Council regarding achievement of SBE and RPP standards for the duration of construction of the PROJECT. Said presentation shall be coordinated through the OEI.

E. Complete and submit a final **Exhibit I** and **Exhibit J "SBE Subcontractor Payment Form"** to the OEI upon completion of all construction of the PROJECT.

V. LABOR STANDARDS.

DEVELOPER shall comply with all applicable state and municipal labor standards provisions on the PROJECT, including the payment of living wages as required by Sec. 355-13-3 of the MCO. DEVELOPER shall provide and cause its contractors and subcontractors to provide the OEI any necessary documentation relative to compliance with applicable labor standards provisions on forms specified by the OEI.

VI. CITY ADMINISTRATION.

The OEI shall have primary responsibility for the administration of this Agreement as well as primary monitoring and enforcement authority for the programs and activities encompassed by this Agreement. In exercising its responsibilities under the Agreement, the OEI shall use good faith and act in a reasonable manner. Notwithstanding the foregoing, the OEI shall make all information and data collected pursuant to this Agreement available to CITY's Department of City Development and Comptroller in order to allow fulfillment of their respective responsibilities with respect to the programs and activities encompassed by this Agreement. CITY's Department of City Development and Comptroller shall cooperate with and assist the OEI in the administration of this Agreement.

VII. DEVELOPER ADMINISTRATION.

DEVELOPER or its contractor may retain a person or firm reasonably acceptable to the OEI to act as DEVELOPER's consultant and to assist in record keeping, collection of information and the filing of all reports necessary to demonstrate compliance with the requirements of this Agreement.

VIII. AUDIT RIGHTS.

CITY shall have the right to conduct audits not more than once per year to confirm DEVELOPER's compliance with this Agreement. DEVELOPER shall keep or cause others under its control, including its contractors and subcontractors to keep accurate, full and complete books and accounts with respect to costs of developing, constructing, and completing the PROJECT, including personnel records, and carrying out the duties and obligations of DEVELOPER hereunder. 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 seven years. Any documents required to be retained under this Section shall be made available upon reasonable request of CITY's Comptroller (but not more often than monthly) for the purpose of conducting an audit permitted by this Section.

IX. PUBLIC RECORDS.

Records shall be maintained in accordance with requirements prescribed by the CITY with respect to all matters covered by this Agreement. Both parties understand that the CITY is bound by Wisconsin Public Records Law, and as such, all of the terms of this Agreement are subject to and conditioned on the provisions of Wis. Stat. Section 19.21, et seq. DEVELOPER acknowledges that it is obligated to assist the CITY in retaining and producing records that are subject to Wisconsin Public Records Law. Except as otherwise authorized, these records shall be maintained for a period of seven years from the date of this Agreement.

X. NOTICES.

All notices under this Agreement shall be made in writing and deemed served upon depositing the same in the United States Postal Service as "Certified Mail, Return Receipt Requested," addressed as follows:

A. To the CITY: Office of Equity & Inclusion
City of Milwaukee
200 East Wells Street
Milwaukee, WI 53202
Attn: Director

With a copy to: Department of City Development
City of Milwaukee
809 North Broadway
Milwaukee, WI 53202
Attn: Commissioner

B. To DEVELOPER: Schwer, Pflicht, & Werkzeug Properties, LLC
c/o James Anderson, Senior Corporate Counsel
13135 West Lisbon Road
Brookfield, WI 53005

XI. ENFORCEMENT.

In order to assist OEI in monitoring and enforcing the RPP requirements in this Agreement (as further defined in secs. 355-7 to 377-9 of the MCO), DEVELOPER shall meet with or cause its contractor to meet with OEI prior to commencement of construction of the PROJECT to develop a plan, acceptable to OEI which acceptance shall not be unreasonably withheld or delayed, to meet the RPP requirements of this Agreement. Such plan shall include the following:

- A. A schedule of intermediate phases of the Project to be used for reporting on compliance with the RPP provisions of this Agreement;
- B. Benchmarks for the actual participation by city residents in compliance with the RPP requirements in this Agreement following the completion of each intermediate phase of the Project, including any credit for worker hours achieved on other projects under sec. 355-7-2-a of the MCO (any RPP hours exceeding the 40% requirement for the Initial Project may be credited towards the 40% RPP requirement for the Expansion);
- C. The formula set forth in Section XII below. No withholding of funds shall be required if the total participation by city residents at the completion of the PROJECT exceeds the requirements of this Agreement; and
- D. A requirement that if DEVELOPER is unable to meet the RPP requirements in this Agreement, DEVELOPER and OEI shall cooperate consistent with MCO 355-7-2-a to attempt to resolve such a shortfall.

No funding required under the Development Agreement shall be provided by CITY to DEVELOPER prior to OEI's acceptance of DEVELOPER's plan as required in this Section.

XII. SANCTIONS.

In the event that DEVELOPER is not in compliance with the requirements of this Agreement or if any document submitted to CITY by DEVELOPER or a contractor or subcontractor of DEVELOPER contains materially false, misleading or fraudulent information, the OEI may seek prosecution under sec. 355-19 of the MCO or the imposition of any of the following sanctions:

- A. Imposition of a requirement that remedial efforts be undertaken by DEVELOPER for the remaining portion of the PROJECT where initial reports demonstrate non-compliance with the RPP hours required for the PROJECT.
- B. Specific performance or specified remedies under this Agreement.
- C. Remedies available under the Development Agreement for such non-compliance.
- D. Withholding of payments due to DEVELOPER under the Development Agreement or any related documents or reimbursement by DEVELOPER to CITY of any payments

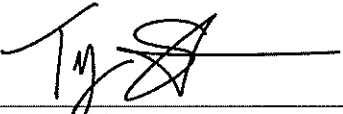
already made to DEVELOPER under the Development Agreement. This may take the form of DEVELOPER repaying a portion of the Initial Grant (as defined in the Development Agreement) and/or CITY withholding a portion of the Subsequent Grant (as defined in the Development Agreement) until the percentages are met or may be withheld completely if DEVELOPER never meets the percentages. The portion of the Initial Grant repaid and/or the portion of the Subsequent Grant withheld under this subsection shall be equal to the total amount for which DEVELOPER is eligible under the Development Agreement multiplied by that percentage of the SBE and RPP requirements which DEVELOPER failed to meet, but in no event in excess of 100% of the total amount for which the DEVELOPER is eligible.

E. Termination, suspension or cancellation of the Development Agreement or any contract or agreement related to the PROJECT in whole or in part.

F. After a due process hearing, denial of DEVELOPER's right to enter into agreements with the CITY for 2 years.

IN WITNESS WHEREOF, the parties have executed this Human Resources Agreement as of the 20th day of May, 2021.

**SCHWER, PFLICHT, & WERKZEUG
PROPERTIES, LLC**

By: 

Ty Stavski, CFO

CITY OF MILWAUKEE

By: _____
Tom Barrett, Mayor

By: _____
James R. Owczarski, City Clerk

By: _____
Aycha Sawa, City Comptroller

Common Council Resolution #201674

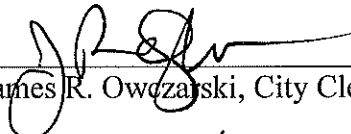
IN WITNESS WHEREOF, the parties have executed this Human Resources Agreement as of the 15th day of May, 2021.

**SCHWER, PFLICHT, & WERKZEUG
PROPERTIES, LLC**

CITY OF MILWAUKEE

By: _____

By: 
Tom Barrett, Mayor

By: 
James R. Owczanski, City Clerk

By: 
Aycha Sawa, City Comptroller

Common Council Resolution #201674

EXHIBIT A
CATEGORIES OF WORK

Categories of Work for Construction

PROJECT NAME: _____

Instructions: This form can also be used to track budget changes or revised costs.

DESCRIPTION	BUDGET	EXCLUSION	COST SUBJECT TO INCLUSION
SITE PREPARATION:			
Demolition	\$0.00	\$0.00	\$0.00
Excavation	\$0.00	\$0.00	\$0.00
Soil Hauling & Disposal	\$0.00	\$0.00	\$0.00
Stormwater Management System	\$0.00	\$0.00	\$0.00
Other site:	\$0.00	\$0.00	\$0.00
BUILDING CONSTRUCTION:			
Footing and Foundation	\$0.00	\$0.00	\$0.00
Floor Slab	\$0.00	\$0.00	\$0.00
Structural Steel	\$0.00	\$0.00	\$0.00
Glazing	\$0.00	\$0.00	\$0.00
Masonry	\$0.00	\$0.00	\$0.00
Roofing	\$0.00	\$0.00	\$0.00
Rough Carpentry	\$0.00	\$0.00	\$0.00
Finish Caprentry	\$0.00	\$0.00	\$0.00
Doors, Frames & Millwork	\$0.00	\$0.00	\$0.00
HVAC Equipment	\$0.00	\$0.00	\$0.00
Plumbing	\$0.00	\$0.00	\$0.00
Fire Protection	\$0.00	\$0.00	\$0.00
Electrical	\$0.00	\$0.00	\$0.00
Drywall	\$0.00	\$0.00	\$0.00
Ceilings	\$0.00	\$0.00	\$0.00
Flooring	\$0.00	\$0.00	\$0.00
Ceramic Tile	\$0.00	\$0.00	\$0.00

Lighting	\$0.00	\$0.00	\$0.00
Painting/Interior Finish	\$0.00	\$0.00	\$0.00
Other:	\$0.00	\$0.00	\$0.00
Other:	\$0.00	\$0.00	\$0.00
Other:	\$0.00	\$0.00	\$0.00
<hr/>			
SITE IMPROVEMENTS:			
Paving	\$0.00	\$0.00	\$0.00
Laterals/Catch Basin	\$0.00	\$0.00	\$0.00
Landscaping	\$0.00	\$0.00	\$0.00
Fencing	\$0.00	\$0.00	\$0.00
Other:	\$0.00	\$0.00	\$0.00

	--	-----	-----
TOTAL	\$0.00	\$0.00	\$0.00
<hr/>			
INCLUSION VALUE SUBJECT TO 25% PARTICIPATION			\$0.00

EXHIBIT B

SBE MARKETING PLAN – PUBLICATIONS/ADVERTISING CONTACTS

Milwaukee Times - Published weekly
1936 North King Drive, Milwaukee, WI 53212
Phone: 414-263-5088
Fax: 414-263-4445
Email: miltimes@gmail.com

The Milwaukee Courier - Published weekly
2003 W. Capitol Drive, Milwaukee, WI 53206
Phone: 414-449-4860
Fax: 414- 906-5383
Email: milwaukeeecourier@aol.com

Milwaukee Community Journal - Published semiweekly
3612 North King Drive, Milwaukee, WI 53212
Phone: 414-265-5300
Email: advertising@MilwaukeeCommunityJournal.com

Daily Reporter Publishing Co. - Published daily
225 E. Michigan St., Suite 300, Milwaukee, WI 53202
Phone: 414-276-0273
Fax: 414-276-8057
Email: service@bridgetowermedia.com

Spanish Journal – Published weekly
611 West National Avenue, Suite 316, Milwaukee, WI 53204
Phone: 414-643-5683
Fax: 414-643-8025
Email: steed1914@gmail.com

EXHIBIT C
SBE MARKETING PLAN – COMMUNITY AGENCY CONTACTS

National Association of Minority Contractors

6122 North 76th Street
Milwaukee, WI 53218
(414) 454-9475
<http://www.namcwi.com>

African American Chamber-Commerce

633 W Wisconsin Ave., Suite 603
Milwaukee, WI 53203
(414) 462-9450
<http://www.aaccwisconsin.org/>

Hispanic Chamber of Commerce of Wisconsin

1021 W National Ave.
Milwaukee, WI 53204
(414) 643-6963
<https://hccw.org/>

Hmong Wisconsin Chamber of Commerce

6815 W. Capitol Drive, Suite 204
Milwaukee, WI 53216
(414) 645-8828
<http://www.hmongchamber.org/>

EXHIBIT C1
Small Business Enterprise (SBE)
Contact Sheet

Name of Agency	Address of Agency	Contact Person	Date of Contact	Time of Contact



Exhibit D
CITY OF MILWAUKEE
OFFICE OF SMALL BUSINESS DEVELOPMENT
FORM A - CONTRACTOR COMPLIANCE PLAN

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

I. GENERAL INFORMATION (REQUIRED)

Project Name: _____ SBE Participation: _____ % Total Dollar Amount: \$ _____

Project Description: _____

II. PRIME CONTRACTOR INFORMATION (REQUIRED)

Contractor Name: _____

Address: _____

City/State/Zip: _____

Contact Person: _____ Title: _____

Phone: _____ Fax: _____ E-mail: _____

City of Milwaukee SBE Certification: _____ Yes _____ No

III. ACKNOWLEDGEMENT (REQUIRED)

I certify that the information included in this Compliance Plan is true and complete to the best of my knowledge.

Name of Authorized Representative: _____ Title: _____

Signature: _____ Date: _____

FOR STAFF USE ONLY

Reviewed by OSBD Staff: _____ Date: _____



**CITY OF MILWAUKEE
OFFICE OF SMALL BUSINESS DEVELOPMENT
FORM A - CONTRACTOR COMPLIANCE PLAN**

List all subcontractor information in its entirety. Only SBE firms certified through the City Of Milwaukee Office of Small Business Development will be counted towards specified SBE requirements. Individual subcontractor SBE percentages should equal the overall participation as listed on Page 1. Please visit the OSBD website www.milwaukee.gov/osbd for a complete list of certified firms.

IV. SUBCONTRACTOR INFORMATION

Subcontractor Name: _____

Contact Person: _____

Phone: _____ Fax: _____ E-mail: _____

City of Milwaukee SBE Certification: _____ Yes _____ No

Work performed / Materials supplied: _____

Please identify the proposed award amount and percentage of the contract the subcontractor will fulfill (if applicable).

Proposed Award: \$ _____ Percentage of contract: _____ %

Owner/Representative Signature: _____ Date: _____

Subcontractor Name: _____

Contact Person: _____

Phone: _____ Fax: _____ E-mail: _____

City of Milwaukee SBE Certification: _____ Yes _____ No

Work performed / Materials supplied: _____

Please identify the proposed award amount and percentage of the contract the subcontractor will fulfill (if applicable).

Proposed Award: \$ _____ Percentage of contract: _____ %

Owner/Representative Signature: _____ Date: _____

PLEASE DUPLICATE AS NEEDED TO PROVIDE ADDITIONAL SUBCONTRACTOR INFORMATION

Department of Administration
Office of Small Business Development
City Hall, Room 606
200 East Wells Street
Milwaukee, WI 53202
Information Line: 414-286-5553 Fax: 286-8752
osbd@milwaukee.gov
www.milwaukee.gov/osbd

Updated: December 23, 2015

Exhibit E
SMALL BUSINESS ENTERPRISE (SBE)
SOLICITATION FORM

Name & Address of SBE Firm _____

Name of Individual Contacted _____ Phone Number _____

Type of Work _____ Date and Time of Contact _____

Quotation or Proposal Received _____

REMARKS: THESE SHOULD INCLUDE ANY FOLLOW UP ACTIONS. IN THE EVENT THAT THE SMALL BUSINESS ENTERPRISE WILL NOT BE UTILIZED, INCLUDE AN 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 F
SMALL BUSINESS ENTERPRISE (SBE)
Rejection of Bid or Proposal Form

	Name and Address of SBE firm	Bid or Proposal			Approved By
		Type of Work	Submitted by SBE	Actual Award	
1					
2					
3					
4					
5					
6					
7					
8					

Exhibit G

FORM I (Rev. 5/2020)

Contractor Name

DPW Contract No.

**Employee Affidavit
Residents Preference Program**

I certify that I maintain my permanent residence in the City of Milwaukee and that I vote, pay personal income tax, obtain my driver's license, etc. at _____, Milwaukee, WI _____.
(Address) (Zip Code)

Residency status:

To verify my resident status, attached please find the following (check *two*)

- _____ Copy of my voter's certification form.
- _____ Copy of my last year's Form 1040.
- _____ Copy of my current Wisconsin Driver's License or State ID.
- _____ Copy of Other (i.e., Utility bill, Lease, etc.)

AND

Unemployment status:

I certify that I have been unemployed as follows: (Check those that apply)

- _____ I have worked less than 1,200 hours in the preceding 12 months.
- _____ I have not worked in the preceding 15 days*

***this selection only applies to new hires or inactive employees**

OR

Underemployed status:

_____ I certify that based on the attached chart (Income Eligibility Guidelines), I am underemployed.

WORK HISTORY

Construction Skills: _____, _____, _____.

Years of Experience: _____, _____, _____.

Print Name

Sign Name

Social Security Number

Home Telephone Number

Subscribed and sworn to me this _____ day
of _____, _____ A.D.

My Commission Expires _____.

Notary Public Milwaukee County

Please return completed form and required attachments to:

Celeste Jantz | DPW Contracts Office | 841 N Broadway – Room 506 | Milwaukee, WI 53202

Income Eligibility Guidelines July 1, 2020 to June 30, 2021

Eligibility determination is based on household size and income.
Total income must be at or below the amounts in this table.

Household Size	Yearly	Monthly	Twice per month	Every 2 weeks	Weekly
1	23,606	1,968	984	908	454
2	31,894	2,658	1,329	1,227	614
3	40,182	3,349	1,675	1,546	773
4	48,470	4,040	2,020	1,865	933
5	56,758	4,730	2,365	2,183	1,092
6	65,046	5,421	2,711	2,502	1,251
7	73,334	6,112	3,056	2,821	1,411
8	81,622	6,802	3,401	3,140	1,570
For Each Additional Household Member Add	8,288	691	346	319	160

Source: Wisconsin Department of Public Instruction

EXHIBIT H

FORM _____ RPP Worker Utilization Plan & Gap Analysis

PROJECT NAME _____

Instructions: Complete this document to assess the differences or gap between the current total hours available for this project compared to the RPP Worker hours required to meet the participation requirement.

Trade	Positions/Hours available	Short/Long Term	Total RPP Workers or Hours Needed	Total Available RPP Workers/Hours	Gap Total	Unioned Y/N	Total Available Union RPP	Comment
Bricklayers								
Carpenters								
Ceilings								
Cement Finisher								
Doors, Frames & Millwork								
Drywall								
Electrical								
Fencing								
Fire Protection								
Flooring & Foundation								
Glaziers								
HVAC								
Laborers								
Landscape								
Lighting								
Ironworkers								
Installer								
Masonry								
Operators								
Painters								
Plumbers								
Roofers								
Sheet Metal Workers								
Sprinkler fitter								
Steamfitters								

Completed by:

Title:

Date:

Exhibit I

PROJECT NAME

SBE and RPP Participation Performance Report through **DATE**

Submitted by _____

***Optional – If you choose to, feel free to add a more aesthetically pleasing cover page so long as it entails the abovementioned information.**

Yellow highlighted text: The yellow text is meant to serve as a reminder to update a particular field. All yellow text should be overwritten with text pertinent to this project.

Red Text: These are notes meant to help you complete the report template. **Please delete all red text before submitting your report.**

This template identifies the minimum required information that should be included in this report on a quarterly basis. You may adjust the layout, color scheme, font, etc., add data sets and substantive information relative to the project.

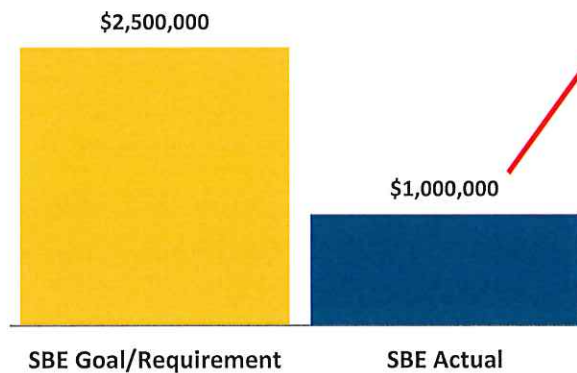
Project Summary

Provide a brief description of the project, such as general location, building size, building use, and any unique features, as well as fill in the table below.

Developer:	
Project Address:	
Prime Contractor:	
Total Project Cost Subject to Participation:	
Construction Draw to Date:	

SBE Participation

To date, this project has achieved XX% SBE participation for Construction, XX% for Goods & Services, and XX% for Professional Services. (Note: If one of these categories of work doesn't apply to your project, please delete them from this narrative.)



To edit the dollar amounts in this chart, right click on one of the bars and select "Edit Data". An Excel spreadsheet will appear, and you will type in the data into the yellow cells.

Total Value of SBE Payments	Goal/Requirement	Actual	Status
SBE Participation Percentage	25%	XX%	+/-X.X
Value of SBE Participation	\$2,500,000	\$1,000,000	-\$1,500,000

Use the following table to outline project participation. If there are separate SBE goals/requirements for Construction, Professional Services, and/or Goods & Services, please organize the data into separate tables. *Optional – you may insert a brief success story (including a photo) highlighting a SBE firm's experience with this project.

SBE FIRM	SUBCONTRACTOR TO	TRADE/DESCRIPTION OF WORK	TOTAL CONTRACT AMOUNT	AMOUNT PAID TO DATE

RPP Participation by Zip Code

ZIP CODE	# OF RPP HOURS	# OF RPP WORKERS
TOTAL		

RPP Participation by Race

RACE	# OF RPP HOURS	# OF RPP WORKERS
Asian		
African-American		
Caucasian		
Hispanic		
Native American		
Not Specified		
TOTAL		

RPP Participation by Gender

Gender	# OF RPP HOURS	# OF RPP WORKERS
Male		
Female		
Unspecified		
TOTAL		

Apprenticeship & On-The-Job Trainee Participation

CRAFT	# OF APPRENTICES / ON-THE- JOB TRAINEES	TOTAL HOURS WORKED BY APPRENTICES / ON-THE- JOB TRAINEES	RPP APPRENTICE HOURS	RPP APPRENTICE %	SIA RPP APPRENTICE HOURS	SIA RPP APPRENTICE %
EX: LABORER, IRONWORKER, ETC.						
TOTAL						

Apprentice Participation by Race

RACE	# OF HOURS	% OF WORKERS
Asian		
African-American		
Caucasian		
Hispanic		
Native American		
Not Specified		
TOTAL		

Apprentice Participation by Gender

GENDER	# OF HOURS	% OF WORKERS
Male		
Female		
Unspecified		
TOTAL		

EXHIBIT J



CITY OF MILWAUKEE | OFFICE OF EQUITY & INCLUSION

FORM E – SUBCONTRACTOR FINAL PAYMENT

This form is to be completed and signed by the Prime Contractor and Small Business Enterprise (SBE) subcontractor firm(s) utilized in connection with the PROJECT listed below, either for service performed and/or as a supplier of material or goods. Within thirty (30) days of the last payment reported in the Compliance Reporting and Certification System (CRCS), this form (one for each subcontractor) should be completed and submitted to the DOA-Office of Equity & Inclusion via email at oei@milwaukee.gov.

I. GENERAL INFORMATION (REQUIRED)

Project Name _____

Prime Contractor Name _____

Subcontractor Name _____

Total Payment to Subcontractor SBE \$ _____

II. PRIME CONTRACTOR ACKNOWLEDGEMENT (REQUIRED)

I hereby certify that our firm has paid the listed amount to the SBE subcontractor as indicated above for work performed and/or material supplied on the above contract/project.

Authorized Representative _____ Signature _____

Title _____ Date _____

III. SUBCONTRACTOR ACKNOWLEDGEMENT (REQUIRED)

I hereby certify that our firm has received the listed amount from the Prime Contractor as indicated above for subcontract work performed and/or material supplied on the above contract/project.

Authorized Representative _____ Signature _____

Title _____ Date _____

City of Milwaukee | Department of Administration | Office of Equity & Inclusion
City Hall, Room 606 | 200 East Wells Street | Milwaukee, WI 53202
Information Line: 414-286-5553 | Email: oei@milwaukee.gov | Website: city.milwaukee.gov/oei

Rev. 04/14/2021

EXHIBIT E
PILOT Agreement

Document Number	Document Title
	<p style="text-align: center;">PILOT AGREEMENT</p>
	<p style="text-align: center;">PAYMENT IN LIEU OF TAXES AGREEMENT</p> <p style="text-align: center;">(TID 108 - 5th & Michigan)</p>
	<p>Recording Area</p> <hr/> <p>Name and Return Address</p> <p>Jeremy R. McKenzie Assistant City Attorney Office of the City Attorney 200 East Wells Street, Suite 800 Milwaukee, WI 53202</p>
	<p>Parcel Identification Number (PIN) 361-0814-122</p> <hr/>

This PILOT AGREEMENT for payments in lieu of taxes (“PILOT Payments”) is made by and between Schwer, Pflicht, & Werkzeug Properties, LLC, a Wisconsin limited liability company (“OWNER”) and the City of Milwaukee, a Wisconsin municipal corporation (“CITY”), as of the 21st day of May, 2021.

RECITALS

WHEREAS, OWNER is the owner of the real property legally described on **Exhibit A** (the “PROPERTY”); and

WHEREAS, OWNER recognizes that, notwithstanding the fact that portions of the PROPERTY may in the future qualify for tax exempt status, valuable government services and benefits will be provided to it and the PROPERTY, which services and benefits directly or indirectly relate to the public health, safety, and welfare, and which include, but are not limited to: fire and police protection; paved streets and streetlights; snow removal; benefits associated with living in an organized community; and

WHEREAS, The PROPERTY includes all of the land included in the TID 108 5th & Michigan Project (the "PROJECT") which is subject to the Cooperation, Contribution and Redevelopment Agreement, dated even herewith, (the "DEVELOPMENT AGREEMENT"); and

WHEREAS, In Common Council Resolution File No. 201674, adopted May 4, 2021, the Common Council approved the Project Plan for Tax Incremental District No. 108 ("TID 108") in order to provide for certain costs with respect to the PROJECT, which costs directly benefit OWNER and the PROPERTY; and

WHEREAS, OWNER agrees for itself and its successors and assigns, in the event that the PROPERTY is or becomes exempt from payment of property taxes, to make PILOT Payments to CITY in recognition of the services and benefits referred to herein and the provision of financial assistance to the PROJECT pursuant to the DEVELOPMENT AGREEMENT; and

WHEREAS, it is the intent of this PILOT AGREEMENT to have OWNER and all future owners and tenants of the PROPERTY, any parcel or building which is within the PROPERTY or any portion thereof, make payments in lieu of taxes, in the event that the PROPERTY is or becomes exempt from payment of property taxes, in order to assure the financial viability of TID 108; and

NOW, THEREFORE, For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. INCORPORATION OF RECITALS.

The parties hereby acknowledge that the above Recitals are part of this PILOT AGREEMENT.

2. CITY SERVICES.

A. Services Typically Covered by Property Tax.

CITY agrees to continue to furnish governmental services and benefits to the PROJECT and the PROPERTY of the same type, and to the extent, as are furnished from time to time, without cost or charge (except by means of property tax and authorized fees and charges), to other similarly situated commercial buildings and projects in CITY. Nothing in this PILOT AGREEMENT shall be construed to give OWNER or its successors and assigns a contractual right to specific governmental services, or to impose upon CITY any additional duties, it being the parties' intent that CITY provide public services to the PROJECT and the PROPERTY subject to the same terms and conditions as apply to properties owned by citizens or the public generally. Such services and benefits include, but are not limited by specific enumeration herein, those typically covered by the property tax such as fire and police protection, and on public streets, snow removal, and street lighting. CITY shall not have breached its obligations hereunder if it is prevented from providing benefits and/or services to the PROJECT or the PROPERTY because of typical *force majeure* reasons (e.g. war, flood, fire, labor dispute, supply shortage, act of God, natural disaster, etc.), or because any person or entity shall assert a right which prevents delivery of such benefits and/or services.

B. BID Assessments, Special Assessments, Special Charges and Fees.

Notwithstanding paragraph 2.A., or any future property tax exempt status of the PROPERTY, OWNER understands that the PROJECT and the PROPERTY will be subject to applicable business and/or neighborhood improvement district assessments, special assessments, special charges, and special taxes as defined in §74.01, Wis. Stats. (and as also referred to in Ch. 66, Wis. Stats.) and fees charged by CITY in the same manner that such special assessments, special charges, special taxes, and fees are charged for similar services and/or undertakings to commercial buildings within CITY. This provision shall not affect CITY's powers, consistent with the law, to determine the services and benefits (other than those typically covered by the property tax) that shall be provided to the PROJECT and the PROPERTY and/or similarly situated property pursuant to this paragraph 2.B. Nothing contained herein shall preclude OWNER or its successors and assigns from appealing, as provided by law, the imposition of such special assessments, special charges, special taxes, or fees by CITY.

3. PILOT PAYMENTS.

A. Calculations.

In recognition of those services and benefits covered by paragraph 2.A. of this PILOT AGREEMENT, beginning in the year the PROPERTY or any portion thereof becomes exempt from property tax, and so long as the PROPERTY or any portion thereof continues to be exempt, in whole or in part, under § 70.11, Wis. Stats., OWNER or its successors and assigns shall pay CITY an annual PILOT Payment for the PROPERTY or the portion thereof which is exempt for each calendar year. The method to be used in determining the PILOT, through the year during

which TID 108 is terminated, shall be the Value¹ for that tax year determined by CITY's Assessor times the Total Property Tax Rate² for the tax year.

B. Payment Due Date.

PILOT Payments for the year in which the PROPERTY or a portion thereof becomes exempt and subsequent years shall be due and payable (i) in full on or before January 31 of the year following the calendar year for which the PILOT Payment was calculated, or (ii) if OWNER or its successor or assign elects to pay in installments, according to the following schedule: one-tenth of the PILOT Payment by the last day of each month for the first 10 months in the year following the calendar year for which the particular PILOT Payment was calculated. OWNER or its successor or assign shall be deemed to have elected to pay the PILOT Payment in installments by making the first full installment payment on or before January 31 in the respective year in which the PILOT Payment is due.

C. Use.

CITY may use and expend PILOT Payments hereunder in such manner and for such purposes as CITY desires.

D. Mandatory Payment for Services to Offset PILOT Payment.

Notwithstanding anything herein to the contrary, if the State of Wisconsin enacts a mandatory payment for municipal services to be paid by owners of property exempt from general property tax or similarly situated owners of exempt property, PILOT Payments shall be reduced

¹ "Value" herein means CITY Assessor's determination of the fair market value of the tax exempt portion(s) of the PROPERTY on January 1 of each tax year.

² "Total Property Tax Rate" means the net rate for all taxes calculated to include all taxing bodies reflected on City of Milwaukee tax bills from time to time (in 2020, the applicable Total Property Tax Rate was \$26.16 per \$1,000 of assessed value).

dollar for dollar by any such mandatory payment paid by OWNER or its successors or assigns to CITY.

4. EXEMPT STATUS.

NOTHING IN THIS PILOT AGREEMENT SHALL BE CONSTRUED AS GRANTING TAX-EXEMPT STATUS ON THE OWNER OR THE PROPERTY. IF OWNER QUALIFIES FOR TAX EXEMPT STATUS UNDER WISCONSIN LAW, IT IS THE OWNER'S OBLIGATION TO APPLY FOR TAX EXEMPT STATUS. At such time that OWNER is granted tax exempt status pursuant to §70.11, Wis. Stats., OWNER shall then make PILOT PAYMENTS pursuant to this PILOT AGREEMENT. No PILOT PAYMENT under this PILOT AGREEMENT is due from OWNER until such time that the PROPERTY is deemed to be exempt from payment of property taxes pursuant to §70.11, Wis. Stats.

CITY Assessor's Office may review the PROPERTY's exempt status under §70.11, Wis. Stats. from time to time with the respective January 1 dates being the reference dates for those exemption reviews. If CITY, as a result of those reviews or otherwise, determines that all or any portion of the PROPERTY no longer qualifies (or does not qualify) for exemption from property tax, (i) CITY will provide notice of such determination to OWNER or its successor or assign, (ii) this PILOT AGREEMENT shall be suspended with respect to any years and, if applicable, with respect to any portions of the PROPERTY for which exemption no longer applies, (iii) if PILOT Payments have been erroneously made for such tax years, CITY shall promptly refund such PILOT Payments, or, at the option of CITY, offset such PILOT Payments against any property taxes due, or to become due, from OWNER or its successors or assigns, in which case CITY will treat such offset as having been made under protest, and (iv) the PROPERTY, or any portion thereof which does not qualify for exemption, shall be placed on the property tax rolls for all years for which

whole or partial exemption has been determined not to apply. If OWNER or its successors or assigns disagree with CITY's determination that the PROPERTY or any part thereof no longer qualifies for tax exemption, OWNER or its successors or assigns may challenge such determination by following the procedure set forth in §74.35, Wis. Stats. or as otherwise provided by law.

Notwithstanding anything to the contrary contained herein, OWNER acknowledges that it is or may be bound by the reporting requirement, in §70.11, Wis. Stats., preamble, and that under §70.109, Wis. Stats.: exemptions are strictly construed; it is presumed that property is taxable; and the burden is on the person claiming exemption.

OWNER, on its behalf and that of its successors and assigns, also acknowledges that if it leases, or otherwise allows another person to use and/or occupy, all or a portion of the PROPERTY, such use may affect the PROPERTY's exempt status. See, e.g. the preamble of §70.11, Wis. Stats., §70.1105, and Deutsches Land v. City of Glendale, (WI S.Ct. April 16, 1999). For example, if OWNER is exempt but only uses and occupies 90% of the PROPERTY for exempt purposes and leases the other 10% of the PROPERTY to a for-profit, nonexempt entity, and if the assessor applies a square footage, taxed in part analysis, the PROPERTY is to be taxed on a 10% basis and exempt on a 90% basis and the PILOT Payment would have to be paid on the 90% portion.

5. TERM.

This PILOT AGREEMENT shall terminate upon the termination of TID 108 or through the year of the 2040 tax levy, payable in 2041, whichever occurs later, but until then, shall run with the land and be binding on all successors and assigns of OWNER having an interest in any portion of the PROPERTY.

6. APPEAL OF ASSESSED VALUE.

OWNER and its successors and assigns shall have the same rights to contest the assessed valuation of the PROPERTY as a taxpaying owner under Wisconsin law. CITY acknowledges OWNER's right to contest the assessed valuation of the PROPERTY under the procedures provided in §§70.07 and 70.47, Wis. Stats., and CITY expressly agrees not to dispute OWNER's right to contest the assessed valuation of the PROPERTY under said statutes.

7. DOCUMENTS, INSPECTION, COOPERATION.

OWNER and its successors and assigns shall cooperate with CITY (including, but not limited to, the City Assessor's Office, the City Attorney's Office, and the City Comptroller's Office) with respect to this PILOT AGREEMENT by allowing inspections of the PROPERTY upon reasonable written request of CITY and by allowing inspection of any leases applicable to the PROPERTY and such other documents that CITY may, from time to time, request concerning exemption and assessment determinations. Notwithstanding the foregoing, CITY expressly reserves all its rights in law and equity to inspect and to obtain disclosure, documents, inspection, and information.

8. AMENDMENT.

This PILOT AGREEMENT may be modified and amended from time to time as CITY and OWNER shall mutually agree in writing. However, if an amendment or modification applies to only a portion of the PROPERTY, it is only the CITY and the current owner(s) of that portion of the PROPERTY that must agree in writing to the amendment or modification rather than all parties defined as OWNER in this PILOT AGREEMENT.

9. SEVERABILITY; GOVERNING LAW.

If any provision hereof is duly held by a court of competent jurisdiction to be invalid with respect to any circumstance or otherwise, the remainder of this PILOT AGREEMENT and/or the application of the PILOT AGREEMENT to any other circumstance, shall not be affected thereby. The parties intend that the laws of the State of Wisconsin and ordinances and regulations of the City of Milwaukee shall be the governing law with respect to this PILOT AGREEMENT.

10. BINDING EFFECT/NOTICE.

This PILOT AGREEMENT shall be binding upon and inure to the benefit of that parties hereto and their successors and assigns. Successors and assigns referred to in this PILOT AGREEMENT include any owner or tenant of any portion of the PROPERTY or improvements thereon. OWNER and its successors and assigns shall include a reference to this PILOT AGREEMENT in each future conveyance of all or any portion of the PROPERTY in order to give express notice of this PILOT AGREEMENT. Neither OWNER nor its successors or assigns shall have any liability for obligations accruing under this PILOT AGREEMENT with respect to any portions of the PROPERTY for any period of time other than during their ownership and/or occupancy. OWNER AND ITS SUCCESSORS AND ASSIGNS MAY WISH TO GIVE NOTICE OF THE TERMS OF THIS PILOT AGREEMENT TO FUTURE TENANTS UNDER LEASES FOR PORTIONS OF THE PROPERTY AND ALLOCATE RESPONSIBILITY FOR PAYMENTS UNDER THIS PILOT AGREEMENT IN ANY LEASES FOR PORTIONS OF THE PROPERTY.

11. AUTHORITY.

OWNER represents and warrants to CITY that its agents executing this PILOT AGREEMENT have been duly authorized to so execute and to cause OWNER to enter this PILOT

AGREEMENT, and that OWNER has obtained all requisite consents and approvals concerning the same.

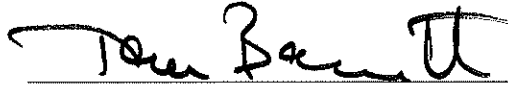
12. RECORDING

CITY shall cause this PILOT AGREEMENT or a memorandum of this PILOT AGREEMENT to be recorded with the Milwaukee County Register of Deeds and deliver a copy of the recorded PILOT AGREEMENT to OWNER.

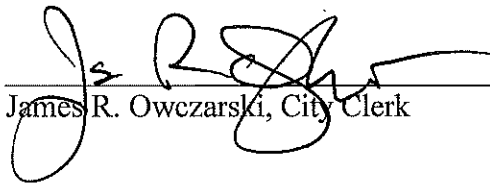
[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this PILOT AGREEMENT to be executed by duly authorized representatives as of the date and year first written above.

CITY OF MILWAUKEE



Tom Barrett, Mayor



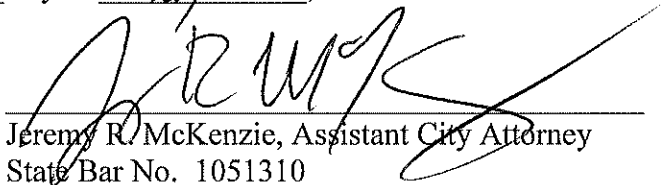
James R. Owczarski, City Clerk

COUNTERSIGNED:



Aycha Sawa, Comptroller

Signatures of Tom Barrett, Mayor and James R. Owczarski, City Clerk and Aycha Sawa, Comptroller authenticated this 18 day of May, 2021.



Jeremy R. McKenzie, Assistant City Attorney
State Bar No. 1051310

OWNER

SCHWER, PFLICHT, & WERKZEUG
PROPERTIES, LLC

By:

Ty Staviski
Ty Staviski, CFO

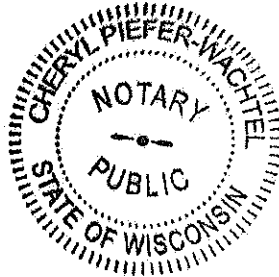
STATE OF WISCONSIN)

Waukesha) ss:
MILWAUKEE COUNTY)

Personally came before me this 19 day of May, 2021, Ty Staviski,
the CFO of the above-named Schwer, Pflicht, & Werkzeug Properties, LLC,
to me known to be the person who executed the foregoing instrument and to me known to be such
CFO of such Schwer, Pflicht, & Werkzeug Properties, LLC, and acknowledged that he/she
executed the foregoing instrument as such officer.

Cheryl Piefer-Wachtel

Notary Public, State of Wisconsin
My Commission July 31, 2023



Prepared by:
Jeremy R. McKenzie, Assistant City Attorney
Milwaukee, Wisconsin

EXHIBIT A

Lots 1 to 16 inclusive in Block 78, together with all vacated alleys adjoining said premises in the Plat of the Town of Milwaukee on the West side of the River in the Southeast 1/4 and Southwest 1/4 of Section 29, Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

EXCEPT that part conveyed to the City of Milwaukee by Warranty Deed Nos. 4378506 and 5178334 and further except that part of Block 78, bounded and described as follows:

Beginning at a point in the North line of West Clybourn Street 42 feet West from the corner of North Fifth Street; thence East along the former North line of West Clybourn Street, 42 feet to the former corner of North Fifth Street; thence North along the former West line of North Fifth Street, 38 feet; thence Southwesterly to the place of beginning.

Tax Key No.: 361-0814-122

Property Address: 501 West Michigan Street

EXHIBIT F

PROJECTED WORKFORCE TIMELINE

	Year 1	Year 2 (2022)	Year 3 (2023)	Year 4 (2024)	Year 5 (2025)	Year 6 (2026 & forward)
Total Projected FTEs for Initial Grant	450	650	800	950	1,100	1,210

EXHIBIT G
TID Project Plan

**PROJECT PLAN FOR
TAX INCREMENTAL FINANCING DISTRICT NO. 108
(5th and Michigan)**

CITY OF MILWAUKEE

Public Hearing Held: April 15, 2021

Redevelopment Authority Adopted: April 15, 2021

Common Council Adopted:

Joint Review Board Adopted:

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- B. “Detailed List of Estimated Project Costs.”.....3
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EXHIBITS

- 1. Boundary Description
- 2. Property Characteristics
- 3. Parcel Owners
- 4. Feasibility Study
- 5. Letter from the City Attorney
- 6. 5th and Michigan Term Sheet

MAPS

- 1. Boundary and Existing Land Use
- 2. Structure Condition
- 3. Proposed Uses and Improvements
- 4. Existing Zoning

I. DESCRIPTION OF THE PROJECT

A. Introduction

Section 66.1105(4)(d), Wisconsin Statutes, requires the “preparation and adoption...of a proposed project plan for each tax incremental district.” This Project Plan is submitted in fulfillment of this requirement and the related provisions of section 66.1105, Wisconsin Statutes.

Section 66.1105 (2)(f) 1.n., permits that Project Plan to fund projects located outside, but within one half-mile of the district’s boundary.

B. District Boundaries and Compliance with Statutory Eligibility Criteria

The 5th and Michigan (“District” or “TID”) is comprised of one property at 501 West Michigan Street, totaling 127,718 SF (the “Property”) in the City of Milwaukee (“City”). The District is shown in **Map No. 1, “Boundary and Existing Land Use,”** and described more precisely in **Exhibit 1, “Boundary Description.”** 100% of the real property located within the District was found to be in need of rehabilitation or conservation work within the meaning of Section 66.1105(4)(gm) of the Wisconsin Statutes. **Exhibit 2, “Property Characteristics,”** illustrates how the property in the District meets the statutory criteria for Tax Incremental Districts. The percentage of territory within the District that will be devoted to retail business at the end of the maximum expenditure period is estimated by the City to be 0% and, therefore, is below the 35% threshold described in Wisconsin Statute 66.1105 (5)(b).

C. Project Background

The Property includes an apr. 350,000 SF office building built in 1978. Most recently, the Property was occupied by a company named Assurant. However, they closed their operations in downtown Milwaukee in 2016 and the building has been unoccupied since.

In 2010, the City adopted the Downtown Area Plan Update. The plan places an emphasis on increasing the “employment density throughout the entire Downtown,” which this Project will help accomplish. In addition, this Project will provide additional activity along the future route of The Hop streetcar system, a catalytic project in the plan, and will help better connect the Station Plaza and Wisconsin Avenue Strategy catalytic projects from the plan.
<https://city.milwaukee.gov/DCD/Planning/PlansStudies/AreaPlans/DowntownPlan>

Milwaukee Tool (“Company”) is proposing to invest at least \$30,000,000 to renovate the building into new office space for at least 1,210 employees (the “Initial Project”). The Company may also decide to expand the Property by adding at least three stories or 150,000 SF of new space to the Property to create space for up to an additional 790 employees (the “Expansion”). The Initial Project and Expansion shall be known collectively as the “Project.”

The Company has been located in the Milwaukee area since World War 1 and is currently headquartered in Brookfield, WI. Originally known as the Milwaukee Electric Tool Company, the Company invented electric tools such as the right-angle drill (1949) and the Sawsall® reciprocating saw (1951). In 2005, the Company was acquired by Techtronic Industries (TTI) and broadened its product line from mostly electric tools to battery powered and hand tools for all trades, tool storage systems and construction safety equipment. As a result, over the past fifteen years, their annual sales have grown from \$425M to over \$5B and employment has grown from 250 to 2,000 over that same time period. The Company expects continued growth in sales and employment, and is therefore, proposing the Project to meet their future space needs and help to attract and retain employees.

The City is proposing to provide an initial \$12,100,000 grant (the “Initial Grant”) to the Company from this District for purchasing and renovating an approximately 350,000 SF building in the City and locating at least 1,210 employees at the facility. A subsequent grant of up to \$7,900,000 (the “Subsequent Grant”) may be provided to the Company from the District for additional employment beyond the initial 1,210 employees in the event that Company completes the Expansion. The Initial Grant and Subsequent Grant are further described in the attached Term Sheet, **Exhibit 6, “5th and Michigan Term Sheet.”**

D. Project Plan Goals and Objectives

More detailed goals and objectives of this Project Plan are to:

- Attract family-supporting jobs to the City.
- Eliminate a blighting influence in downtown Milwaukee.
- Increase the tax base of the City by redeveloping a property in need of rehabilitation or conservation.
- Assist in implementing catalytic projects, as set forth in the Downtown Area Plan Update.

E. Existing Land Uses and Conditions in the District

The District is currently comprised of one property assessed at \$4,000,000 in 2020. The Property in the District is zoned C9F(A) (Office and Service).

II. PLAN PROPOSALS

The following statements, maps and exhibits are provided in compliance with Section 66.1105(4)(f) of the Wisconsin Statutes.

A. “Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements.”

Funds generated from the District will be used for the following purposes:

Initial Grant (\$12,100,000): In an effort to attract jobs to the District, provide an initial \$12,100,000 grant to the Company for purchasing and renovating an approximately 350,000 SF building in the City and locating at least 1,210 employees at the facility, per the attached Term Sheet, **Exhibit 6, “5th and Michigan Term Sheet.”**

Subsequent Grant (\$7,900,000): In an effort to attract additional jobs to the District, a subsequent grant of up to \$7,900,000 may be provided to the Company for additional employment beyond the initial 1,210 employees (at \$10,000 per employee, up to 2,000 total employees) in the event that Company completes the Expansion. After the City is fully reimbursed by tax increment generated by the Project for the Initial Grant and associated debt service costs and after completion of the Expansion, the Subsequent Grant would be provided to the Company via annual payments to the Company of 100% of the incremental taxes generated from the Property (less annual expenses of \$7,500) until the full Subsequent Grant (plus 4.5% interest) is paid to the Company (the “Monetary Obligation”). These annual payments will last over a period not to exceed 20 years from the creation of the tax incremental district, per the attached Term Sheet, **Exhibit 6, “5th and Michigan Term Sheet.”**

B. “Detailed List of Estimated Project Costs.”

The costs included in this subsection and detailed in Table B which follows are, without limitation because of enumeration, eligible project costs as defined under Section 66.1105(2)(f) and, if appropriate, in any cooperation agreement(s) entered into by and between the City of Milwaukee,

Redevelopment Authority of the City of Milwaukee and eligible designated companies or developer(s), provided further that such expenditures are necessitated by this Project Plan.

These costs and costs estimates are more fully described as follows:

Capital Costs

The District shall fund an estimated \$20,000,000 in the form of TID Capital Project Costs enumerated in further detail in **Table A** of this Plan.

TABLE A: TID Capital Project Costs	
Initial Grant to Company	\$12,100,000
Subsequent Grant to Company (Monetary Obligation)	\$7,900,000
TOTAL Capital Project Costs	\$20,000,000

Other Costs

This category of Project Costs includes estimates for administrative, professional, organizational and legal costs.

Financing Costs

Financing costs include estimated gross interest expenses on the Monetary Obligation to repay the Company. Estimates of interest are based on interest rates as set forth in the Economic Feasibility Analysis, attached as **Exhibit 4, "Feasibility Study."** The City reserves the right to prepay the Monetary Obligation to Company, which could require issuance of general obligation debt, as described in the Term Sheet, attached as **Exhibit 6, "5th and Michigan Term Sheet."**

TABLE B: Lists of Estimated Project Costs

<u>Capital:</u>	
Initial Grant to Company	\$12,100,000
Subsequent Grant to Company (Monetary Obligation)	\$7,900,000
<u>Other:</u>	
Administration (\$147,500 + \$7,500 x 7 years)	\$200,000
Total Estimated Project Costs, excluding financing	\$20,200,000
<u>Financing:</u>	
Interest	\$10,400,000

C. "Description of Timing and Methods of Financing."

All expenditures for the Project Costs are expected to be incurred during the period from 2021-2041.

The City may proceed to fund any or all of the Initial Grant using general obligation bonds or notes, or Redevelopment Authority revenue bonds to be issued in amounts which can be supported using tax increments in the District.

The annual cash grants to the Company for the Monetary Obligation will be paid from incremental taxes generated annually in the District.

D. "Economic Feasibility Study."

The Economic Feasibility Study for this District is attached to this Project Plan as **Exhibit 4, "Feasibility Study."** The study establishes the dollar value of the Project Costs which, based on certain general assumptions and a reasonable margin of safety, can be financed with the revenues projected to be generated by the District.

Based upon the anticipated tax incremental revenue to be generated by the District, the District is financially feasible and is likely to be retired on or before year 2040, the 19th year of the District. Accordingly, the District is determined to be feasible.

E. "Map Showing Existing Uses and Conditions."

Please refer to **Map No. 1, "Boundary and Existing Land Use,"** and **Map No. 2, "Structure Condition"** and **Exhibit 3, "Parcel Owners"** in the Exhibits Section which follows.

F. "Map Showing Proposed Uses and Improvements."

Please refer to **Map No. 3, "Proposed Uses and Improvements"** in the Exhibits Section which follows.

G. "Proposed Change of Zoning Ordinances, Master Plan, Building Codes and City Ordinances."

Please refer to **Map No. 4, "Existing Zoning,"** in the Exhibits Section which follows. The proposed Project Plan is consistent with the existing zoning, which is C9F(A) (Office and Service). The proposed Project Plan is in accordance with the existing master plan, map, building codes, and other city ordinances. The proposed Project Plan should not require amendments to their provisions, but such amendments could be made if necessary without further amendment to this Project Plan.

H. "List of Estimated Non-Project Costs."

There are no Non-Project Costs.

I. "Proposed Method for Relocation."

This Project Plan does not anticipate the acquisition of property by the City of Milwaukee. Accordingly, no relocation activities or expenditures for relocation payments or services are provided herein. Should the acquisition of property by condemnation and relocation be necessary, the cost and method of relocation will be included in a redevelopment plan and associated relocation plan prepared in cooperation with the Redevelopment Authority, pursuant to Section 66.1333 and Section 32.05 of the Wisconsin Statutes. The costs of such activities will be eligible for reimbursement through tax increment revenues should such revenues be generated during the statutory life of the District.

J. "Statement Indicating How District Creation Promotes Orderly City Development."

The creation of the District will provide a means to continue the revitalization of Milwaukee, consistent with the objectives of the Downtown Area Plan Update, adopted in 2010. The District will also facilitate the redevelopment of a property in need of rehabilitation or conservation and increase employment opportunities in Milwaukee.

K. "Opinion of the City Attorney."

Please refer to **Exhibit 5, "Letter from the City Attorney."**

EXHIBIT 1
Boundary Description

Beginning at a point at the intersection of the north line of West Clybourn Street and the east line of North 6th Street;

Thence, north along the east line of North 6th Street to its intersection with the south line of West Michigan Street;

Thence, east along the south line of West Michigan Street to its intersection with the west line of North 5th Street;

Thence, south along the west line of North 5th Street to its intersection with the north line West Clybourn Street;

Thence, west along the north line of West Clybourn Street to the point of beginning and more particularly depicted in Map 1 of this Project Plan.

EXHIBIT 2
Property Characteristics

Findings substantiating that not less than 50%, by area, of the real property within the proposed district is in need of rehabilitation or conservation within the meaning of Section 66.1105(4)(gm)4.a Wisconsin Statutes.

Parcel No.	Address	Taxkey	Owner Name	Land Assessment	Improvement Assessment	Total Assessment	Lot SF	In Need of Rehabilitation or Conservation SF	Vacant SF	Retail SF
1	501 WEST MICHIGAN STREET	361-0814-122	F STREET 501 LLC	\$100	\$3,999,900	\$4,000,000	127,718	127,718	0	0

TOTAL:

\$100 \$3,999,900 \$4,000,000 127,718 127,718 0 0

PERCENTAGE:

100.00% 100.00% 100.00% 100.00% 0.00% 0.00%

EXHIBIT 3
Parcel Owners

Parcel No.	Address	Taxkey	Owner Name
1	501 WEST MICHIGAN STREET	361-0814-122	F STREET 501 LLC

EXHIBIT 4

ECONOMIC FEASIBILITY STUDY FOR THE 5TH AND MICHIGAN TID (NO. 108)

Background:

The City of Milwaukee is proposing to create the 5th and Michigan Tax Incremental District No. 108 (the "District") to fund an Initial Grant to the Company of \$12,100,000 and a Subsequent Grant/Monetary Obligation to the Company of up to \$7,900,000. The Initial Grant will be City-financed and paid back from actual incremental tax revenue, while the Subsequent Grant/Monetary Obligation will be Company-financed and paid annually from actual future incremental tax revenue.

The District is comprised of one property totaling 127,718 SF of land (the "Property").

Current Property Valuation:

The assessment of the Property as of 1/1/2020 was \$4,000,000 and thus, that is the estimated base value of the proposed District with a base year of 2021. The current Property is completely unoccupied.

Anticipated Future Value of the District:

The Property includes an apr. 350,000 SF office building built in 1978 with an attached apr. 850 stall parking structure (note that the building has an apr. 50,000 SF basement, so for the purposes of this feasibility study, only the 300,000 SF on floors 1-5 will be considered). The Assessor's Office classifies the building as a Class A office building, however, it has not been renovated in many years and its current condition is closer to a Class B office building. The Company will be spending apr. \$30m renovating the Property and adding amenities which will ensure that it is a Class A office building. The building can also support an expansion of adding four floors (50,000 SF each) to the existing building structure. The Company may move forward with building all or a portion the allowable expansion, which would be all new Class A construction.

Recent and nearby new construction or renovated office buildings, offer good comparables, such as:

- Global Water Center (247 West Freshwater Way), which is a 98,035 SF Class B office building that was converted from warehouse space in 2013. In 2020 it was assessed at \$13,024,600 (\$132/SF). However, this property does not include parking.
- 1254-1320 North Martin Luther King Jr. Drive (main tenant of Spectrum) is an 189,063 SF office building with a 2020 assessment of \$29,501,900 (\$156/SF). This building was renovated into office space in the 1990s and is considered Class B space, with limited on-site parking.
- 1433-75 North Water Street (main tenant of Bader Rutter) is a 141,917 SF office building that is a combination of new construction (2016) and renovation of existing space with a 2020 assessment of \$22,529,600 (\$158/SF). This building was a combination of rehab and new construction and is considered Class B space, with limited on-site parking.
- The Manpower Headquarters (201 West Cherry Street), completed in 2007 near Schlitz Park, is a 280,000 SF Class A office building with a 2020 assessment of \$66,729,300 (\$238/SF). It has an attached parking structure.
- The Zurn Headquarters (511 West Freshwater Way), completed in 2016 at the Reed Street Yards in Walker's Point, is a 53,199 SF Class B office building with a 2020 assessment of \$16,688,000 (\$313/SF). This property has adjacent surface parking.

Based on those comparables and the inclusion of an attached parking structure, it is assumed that the renovation of the existing 300,000 SF building will be assessed at \$45,000,000 (\$150/SF) upon stabilization in 2024.

For the purposes of this feasibility study, it is assumed that a 150,000 SF (three stories at 50,000 SF each) expansion to the building is completed in 2026. The assessed value of the expansion is assumed to be \$30,000,000 (\$200/SF). Blended together, the expanded building would be assessed at \$75,000,000 (\$166/SF).

Anticipated District Cash Flow:

Attached as Tables 1 and 2 are cash flow forecasts for the proposed District. Basic parameters of this forecasts are:

- Base Value: \$4,000,000
- Tax Rate: 2.771%
- Interest Rate: 4.0% (City Debt)
- Interest Rate: 4.5% (Monetary Obligation)
- Annual Appreciation: 1.00%
- City Financed Costs/Initial Grant: \$12,100,000
- Company Financed Costs/Subsequent Grant: \$7,900,000
- Admin Costs: \$147,500 + \$7,500 annually for Subsequent Grant

There are two scenarios shown in the forecast. If there is no expansion and only the Initial Grant is released (Table 1), the District is able to amortize the Project Costs in an estimated 18 years. If the expansion occurs as assumed above and the entire Subsequent Grant is also released (Table 2), the District is able to amortize the Project Costs in an estimated 19 years. Given these estimates, the proposed District is determined to be feasible and capable of amortizing the Project Costs within the statutory life of the proposed District.

Table 1: 5th and Michigan (Only Initial \$12.1m, No Expansion)

No.	Assessment Year	Budget Year	Base Value	Projected Value	Incremental Value	Incremental Revenue	Cumulative Incremental Rev.	City Debt	Company Loan	Cash Flow	Cum. Cash Flow	After reserving for remaining debt Surplus/(deficit)	TID Payoff
1	2021	2022	4,000,000	4,000,000	0	0	0	(489,900)	-	(489,900)	(489,900)	(17,904,294)	No
2	2022	2023	4,000,000	11,250,000	7,250,000	200,898	200,897.50	(489,900)	-	(778,903)	(778,903)	(17,703,396)	No
3	2023	2024	4,000,000	22,500,000	18,500,000	512,635	713,532.50	(489,900)	-	(2,273)	(756,168)	(17,190,701)	No
4	2024	2025	4,000,000	45,000,000	41,000,000	1,136,110	1,849,642.50	(489,900)	-	646,210	(109,958)	(16,054,591)	No
5	2025	2026	4,000,000	45,450,000	41,450,000	1,148,580	2,998,222.00	(1,226,510)	-	(77,931)	(187,888)	(14,906,012)	No
6	2026	2027	4,000,000	45,904,500	41,904,500	1,161,174	4,159,395.70	(1,226,510)	-	(65,337)	(253,225)	(13,704,838)	No
7	2027	2028	4,000,000	46,363,545	42,363,545	1,173,894	5,333,289.53	(1,226,510)	-	(52,616)	(305,841)	(12,570,944)	No
8	2028	2029	4,000,000	46,827,180	42,827,180	1,186,741	6,520,030.70	(1,226,510)	-	(39,769)	(345,611)	(11,364,203)	No
9	2029	2030	4,000,000	47,295,452	43,295,452	1,199,717	7,719,747.68	(1,226,510)	-	(26,793)	(372,404)	(10,184,466)	No
10	2030	2031	4,000,000	47,768,407	43,768,407	1,212,823	8,932,570.23	(1,226,510)	-	(13,688)	(386,092)	(8,971,664)	No
11	2031	2032	4,000,000	48,246,091	44,246,091	1,226,059	10,158,629.41	(1,226,510)	-	(451)	(386,543)	(7,745,605)	No
12	2032	2033	4,000,000	48,728,552	44,728,552	1,239,428	11,398,057.58	(1,226,510)	-	12,918	(373,625)	(6,506,176)	No
13	2033	2034	4,000,000	49,215,837	45,215,837	1,252,991	12,650,988.43	(1,226,510)	-	26,421	(307,146)	(5,253,246)	No
14	2034	2035	4,000,000	49,707,996	45,707,996	1,266,569	13,917,556.99	(1,226,510)	-	53,832	(253,314)	(3,986,677)	No
15	2035	2036	4,000,000	50,205,076	46,205,076	1,280,343	15,197,899.63	(1,226,510)	-	67,744	(185,570)	(2,706,334)	No
16	2036	2037	4,000,000	50,707,126	46,707,126	1,294,254	16,492,154.10	(1,226,510)	-	81,795	(103,774)	(1,412,080)	No
17	2037	2038	4,000,000	51,214,198	47,214,198	1,308,305	17,800,459.52	(1,226,510)	-	1,322,497	1,218,722	1,218,722	YES
18	2038	2039	4,000,000	51,726,340	47,726,340	1,322,497	19,122,956.39	-	-	1,336,830	2,555,553	2,555,553	YES
19	2039	2040	4,000,000	52,243,603	48,243,603	1,336,830	20,459,786.63	-	-	1,351,307	3,906,860	3,906,860	YES
20	2040	2041	4,000,000	52,766,039	48,766,039	1,351,307	21,811,093.57	-	-	1,365,928	5,272,788	5,272,788	YES
21	2041	2042	4,000,000	53,293,699	49,293,699	1,365,928	23,177,021.98	-	-	1,380,696	6,653,484	6,653,484	YES
22	2042	2043	4,000,000	53,826,636	49,826,636	1,380,696	24,557,718.08	-	-	1,395,611	8,049,096	8,049,096	YES
23	2043	2044	4,000,000	54,364,903	50,364,903	1,395,611	25,959,329.58	-	-	1,410,676	9,459,772	9,459,772	YES
24	2044	2045	4,000,000	54,908,552	50,908,552	1,410,676	27,384,005.50	-	-	1,425,891	10,885,663	10,885,663	YES
25	2045	2046	4,000,000	55,457,637	51,457,637	1,425,891	28,829,896.63	-	-	1,441,258	12,326,921	12,326,921	YES
26	2046	2047	4,000,000	56,012,214	52,012,214	1,441,258	30,291,155.07	-	-	1,456,779	13,783,701	13,783,701	YES
27	2047	2048	4,000,000	56,572,336	52,572,336	1,456,779	31,767,934.50	-	-	13,783,701	13,783,701	13,783,701	YES
						31,687,954		(17,904,294)					

Annual appreciation	1.010
Interest rate	4.00%
Base Value	4,000,000
Projected Initial Value	45,000,000
Expansion Value	-
Initial Property Tax rate	2.771%
City Financial Costs	12,247,500
Developer Financial Costs	-
Total Costs	12,247,500
Annual Expenses	0

Table 2: 5th and Michigan (Initial \$12.1m and Subsequent \$7.9m)

No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Incremental Revenue	Cumulative Incremental Revenue	Incremental Revenue (less annual exp.)	City Debt	Company Loan	Cash flow	Cum. Cash Flow	After reserving for remaining debt Surplus/(deficit)	TID Payoff
1	2021	2022	4,000,000	4,000,000	0	0	0	0	(489,900)	-	(489,900)	(489,900)	(30,555,957)	No
2	2022	2023	4,000,000	11,250,000	7,250,000	200,898	200,898	200,898	(489,900)	-	(289,003)	(776,903)	(30,555,959)	No
3	2023	2024	4,000,000	22,500,000	18,500,000	512,635	713,533	512,635	(489,900)	-	22,735	(756,168)	(29,842,424)	No
4	2024	2025	4,000,000	45,000,000	41,000,000	1,136,110	1,849,643	1,136,110	(489,900)	-	646,210	(109,958)	(28,706,314)	No
5	2025	2026	4,000,000	45,450,000	41,450,000	1,149,580	2,998,222	1,148,580	(1,226,510)	-	(77,931)	(187,888)	(27,357,735)	No
6	2026	2027	4,000,000	75,000,000	71,000,000	1,967,410	4,965,632	1,967,410	(1,226,510)	-	740,900	553,011	(25,590,325)	No
7	2027	2028	4,000,000	75,750,000	71,750,000	1,988,193	6,953,825	1,988,193	(1,226,510)	-	761,682	1,314,694	(23,602,132)	No
8	2028	2029	4,000,000	76,507,500	72,507,500	2,009,183	8,963,007	2,009,183	(1,226,510)	-	782,673	2,097,366	(21,592,950)	No
9	2029	2030	4,000,000	77,272,575	73,272,575	2,030,383	10,993,390	2,030,383	(1,226,510)	-	803,873	2,901,239	(19,562,567)	No
10	2030	2031	4,000,000	78,045,301	74,045,301	2,051,795	13,045,185	2,051,795	(1,226,510)	-	825,285	3,726,524	(17,510,771)	No
11	2031	2032	4,000,000	78,825,754	74,825,754	2,073,422	15,118,607	2,073,422	(1,226,510)	-	846,911	4,573,435	(15,487,350)	No
12	2032	2033	4,000,000	79,614,011	75,614,011	2,095,264	17,213,872	2,095,264	(1,226,510)	-	868,754	5,442,189	(13,542,085)	No
13	2033	2034	4,000,000	80,410,151	76,410,151	2,117,325	19,331,197	2,117,325	(1,226,510)	(1,419,463)	(936,148)	4,506,041	(11,232,260)	No
14	2034	2035	4,000,000	81,214,253	77,214,253	2,139,607	21,470,804	2,139,607	(1,226,510)	(1,193,107)	(1,226,510)	3,679,531	(9,100,153)	No
15	2035	2036	4,000,000	82,026,395	78,026,395	2,162,111	23,632,915	2,162,111	(1,226,510)	(2,154,611)	(1,226,510)	2,653,021	(6,945,542)	No
16	2036	2037	4,000,000	82,846,659	78,846,659	2,184,941	25,817,856	2,184,941	(1,226,510)	(2,177,341)	(1,226,510)	1,226,510	(4,768,201)	No
17	2037	2038	4,000,000	83,675,126	79,675,126	2,207,798	28,025,654	2,207,798	(1,226,510)	(2,200,298)	(1,226,510)	0	(2,567,908)	No
18	2038	2039	4,000,000	84,511,877	80,511,877	2,230,984	30,256,638	2,230,984	(1,226,510)	(2,223,484)	0	0	(344,419)	No
19	2039	2040	4,000,000	85,356,996	81,356,996	2,254,402	32,510,940	2,254,402	(1,226,510)	(344,419)	1,902,483	1,902,483	1,502,483	YES
20	2040	2041	4,000,000	86,210,566	82,210,566	2,278,055	34,788,995	2,278,055	(1,226,510)	-	2,270,555	4,173,038	4,173,038	YES
21	2041	2042	4,000,000	87,072,672	83,072,672	2,301,944	37,090,939	2,301,944	(1,226,510)	-	2,294,444	6,467,482	6,467,482	YES
22	2042	2043	4,000,000	87,943,398	83,943,398	2,326,072	39,417,010	2,326,072	(1,226,510)	-	2,318,572	8,786,053	8,786,053	YES
23	2043	2044	4,000,000	88,822,832	84,822,832	2,350,441	41,767,451	2,350,441	(1,226,510)	-	2,342,941	11,126,994	11,126,994	YES
24	2044	2045	4,000,000	89,711,061	85,711,061	2,375,053	44,142,505	2,375,053	(1,226,510)	-	2,367,553	13,496,548	13,496,548	YES
25	2045	2046	4,000,000	90,608,171	86,608,171	2,399,912	46,542,417	2,399,912	(1,226,510)	-	2,392,412	15,888,960	15,888,960	YES
26	2046	2047	4,000,000	91,514,253	87,514,253	2,425,020	48,967,437	2,425,020	(1,226,510)	-	2,417,520	18,306,480	18,306,480	YES
27	2047	2048	4,000,000	92,429,396	88,429,396	2,450,379	51,417,816	2,450,379	(1,226,510)	(12,651,723)	2,442,879	20,749,359	20,749,359	YES
						51,417,816	51,417,816	51,417,816	(17,904,234)	(12,651,723)	20,749,359	20,749,359	20,749,359	YES

Annual appreciation	1.010
Interest rate	4.00%
Base Value	4,000,000
Projected/Initial Value	45,000,000
Expansion Value	75,000,000
Initial Property Tax rate	2.777%
City Financed Costs	12,247,500
Developer Financed Costs	7,800,000
Total Costs	20,047,500
Annual Expenses	7,500

EXHIBIT 5
Letter from the City Attorney

TEARMAN SPENCER
City Attorney

KIMBERLY R. WALKER
Special Deputy City Attorney

ODALO J. OHIKU
ROBIN A. PEDERSON
Deputy City Attorneys

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April 23, 2021

Lafayette Crump, Commissioner
Department of City Development
809 North Broadway, 2nd Floor
Milwaukee, WI 53202

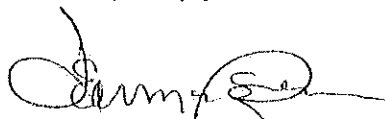
Re: Project Plan for Tax Incremental District No. 108
(5th and Michigan)

Dear Commissioner Crump:

Pursuant to your request, we have reviewed the Project Plan for the above-referenced Tax Incremental District No. 108.

Based upon that review, it is our opinion that the Plan, is complete and complies with the provisions of Wis. Stat. § 66.1105(4)(f).

Very truly yours,


TEARMAN SPENCER
City Attorney

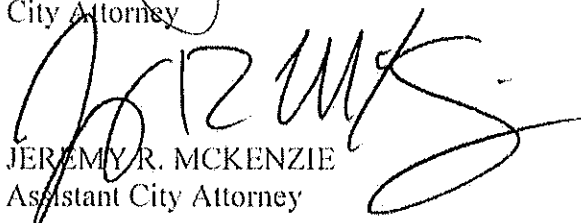

JEREMY R. MCKENZIE
Assistant City Attorney



EXHIBIT 6
5th and Michigan Term Sheet

4/20/21

5th & MICHIGAN TERM SHEET

(5th & MICHIGAN – TID 108)

PROJECT

Milwaukee Tool (the “Company”) is proposing to purchase 501 West Michigan Street (the “Property”) and expend at least \$30,000,000 to renovate the approximately 350,000 SF building for at least 1,210 employees (the “Initial Project”). The Company may also decide to expand the Property by adding at least three stories or 150,000 SF of new space to the Property to create additional space for up to an additional 790 employees (the “Expansion”). The Initial Project and Expansion shall be known collectively as the “Project” throughout this term sheet.

The City of Milwaukee (“City”) proposes to assist the Company in the following ways:

- Initial Grant (\$12,100,000). The City is proposing to create a tax incremental district (the “TID”) to provide an initial \$12,100,000 grant (the “Initial Grant”) to the Company for opening an approximately 350,000 SF building in the City and locating or relocating at least 1,210 employees at the facility.
- Subsequent Grant (\$7,900,000). A subsequent grant of up to \$7,900,000 plus 4.5% interest calculated as described below (the “Subsequent Grant”) may be provided to the Company for additional employment beyond the initial 1,210 employees (at \$10,000 per employee, up to 2,000 total employees) in the event that Company completes the Expansion. After the City is fully reimbursed by tax increment generated by the Project for the Initial Grant and associated debt service costs and after completion of the Expansion, the Subsequent Grant would be provided to the Company via annual payments to the Company of 100% of the incremental taxes generated from the Property until the full Subsequent Grant (plus 4.5% interest) is paid to the Company (the “Monetary Obligation”). These annual payments will last over a period not to exceed 20 years from the creation of the tax incremental district.

APPROXIMATE DEVELOPMENT SCHEDULE

Commence the Initial Project by September 1, 2021.

Expend at least \$15,000,000 in renovation costs for the Initial Project by December 31, 2022.

Substantial Completion of the Initial Project by December 31, 2024.

DESIGN REVIEW

Plans and specifications for the Project shall be subject to the reasonable review and approval of City's Commissioner of City Development (the "DCD Commissioner") and the City's Commissioner of Public Works.

PARTIES

City and Company (or Company's successors or assigns) and the Redevelopment Authority of the City of Milwaukee.

COMPANY'S OBLIGATIONS

In order to receive the financial assistance described above, Company must fulfill the following obligations, subject to Force Majeure:

- A. Company shall purchase the Property and substantially complete the Initial Project, including obtaining necessary building permits for the construction of Initial Project, and substantially complete construction of the Initial Project by December 31, 2024.
- B. Company shall enter into a Human Resources Agreement with City, in a form customary for projects subject to Milwaukee Code of Ordinances Chapters 355 and 370, that will require Company to utilize certified Small Business Enterprises ("SBE") for 25% of construction and supply costs and 18% of professional services (architecture, engineering, etc.) costs on the construction of the Initial Project and the Expansion and utilize unemployed and underemployed residents, pursuant to City's Residents Preference Program ("RPP"), for no less than 40% of total onsite construction "worker hours" expended on construction of the Initial Project and the Expansion. City and Company shall agree upon a schedule of anticipated SBE and RPP percentages over the life of the Initial Project and Expansion as required by MCO 355-13-5. If Company is unable to meet the RPP requirements, Company and the City's Office of Equity and Inclusion ("OEI") shall cooperate consistent with MCO 355-7-2-a to attempt to resolve such shortfall. Prior to commencement of the Initial Project, Company or its representatives and the OEI shall meet and confer to determine the eligible project costs subject to the SBE requirements. If Company does not meet the required SBE and RPP percentages set forth in this subsection, then pursuant to MCO Section 355-13-5, a portion of the Initial Grant shall be repaid and/or a portion of the Monetary Obligation withheld until the percentages are met or may be withheld completely if the percentages are never met. The portion of the Initial Grant repaid and the portion of the Monetary Obligation withheld under this subsection shall be equal to the total amount for which Company is eligible multiplied by that percentage of the SBE and RPP

requirements which the Company failed to meet, but in no event in excess of 100% of the total amount for which the Company is eligible.

- C. Company shall meet or exceed its employment projections, as outlined below.
- D. Company shall enter into a standard payment in lieu of taxes (“PILOT”) agreement with City agreeing to make PILOT payments to City for the full property tax rate in the event that the Property, or any portion of it, becomes exempt from the payment of real property taxes during the original term of the TID. PILOT payments shall be due until termination of the TID or through the year of the 2040 tax levy, payable in 2041, whichever occurs later.
- E. Company, which is currently engaged with Milwaukee-based high schools in a variety of ways, shall continue to support opportunities that advance Milwaukee students’ interest in and preparation for careers at the Company or in fields that utilize Company’s products.
- F. In support of the Common Council’s goals under the Community-Oriented, Responsible and Equitable Development Zone Resolution (CORE Resolution) articulated in File No. 190592 related to developments in the central business district, Company pledges, with regard to hiring of janitorial, security and food service staff to serve the Property (either by direct hire, or, if Company does not directly hire such staff, through contracts with third parties for such services), to pay workers for such positions at least \$15.00 per hour. Additionally, Company shall provide a copy of the CORE Resolution to any contractors providing these services at the Property and shall encourage such contractors to recruit city residents living in zip codes identified by the City Clerk pursuant to MCO 355-7-a-1.

INITIAL GRANT

The City is proposing to fund the Initial Grant of \$12,100,000 out of the TID to partially offset the costs of the Initial Project and employing at least 1,210 employees at the Property according to the below Initial Grant Employment Projections.

Initial Grant Earned

The Initial Grant will be considered earned upon the Company purchasing the Property and entering into contracts for expending at least an initial \$15,000,000 in renovations to the Property by December 31, 2022 with a commitment to invest at least another \$15,000,000 in renovations by December 31, 2024, which dates shall be extended by Force Majeure.

Initial Grant Payment

The Initial Grant will be paid to the Company upon City’s receipt of evidence, deemed reasonably satisfactory by the DCD Commissioner, showing that the Initial Grant has been earned as described above.

Initial Grant Employment Projections

A full-time employee means any regular full-time position with Company or any affiliate, contractor or consultant of Company where an employee is required, as a condition of employment, to work at least 35 hours per week and at least 1,820 hours per year, including paid leave and holidays, and for which the employee receives pay that is equal to at least 150% of the federal minimum wage (“FTE”). FTEs must work at the Property in the City, or if working exclusively from home, must be a resident of the City. For FTEs that work some of their time at the Property and some of their time remotely, at least 60% of their time must be worked at the Property or at the FTE’s residence in the City. Hours of part-time employees may be converted to FTEs by dividing their combined hours for a given year by 1,820 hours per FTE.

Company shall provide City such reasonable documentation and certifications to substantiate its number of FTEs at the Property annually by March 1st for the previous fiscal year as of December 31st. The first such annual reporting shall be due by March 1, 2022, for the period of April 30, 2021 through March 1, 2022 (“Year 1”). Notwithstanding the foregoing, for all subsequent years, the annual report shall be due on March 1 for the immediate preceding fiscal year of January 1 through December 31.

If the Company does not meet the total employment projections shown below (the “Initial Grant Employment Projections”) for each year of the Initial Grant Employment Projections, then, subject to prior written notice from City and no less than a 12-month opportunity to cure, the Initial Grant must be repaid on a pro rata basis of \$10,000/FTE for the shortfall. Any repayment requirement arising from an Initial Grant Employment Projection shortfall shall only be applied in the first year that the shortfall occurs and remains uncured and shall not occur in any subsequent year; for instance if employment in Year 4 is 750 FTEs at the end of a 12-month cure period, Company shall make a one-time repayment to the City of \$2,000,000 = [(950 - 750) x \$10,000], and if employment in Year 5 is 750 FTEs at the end of a 12-month cure period, Company shall make an additional one-time repayment to the City of \$1,500,000 = {[1,100 – 750) x \$10,000] less the \$2,000,000 repaid for the Year 4 shortfall}. Seventy-five percent of any amounts repaid by Company to the City under this paragraph shall be added to the amount of the Monetary Obligation and shall be refundable to Company under the following section, but no interest shall accrue on such repaid amounts.

	Year 1	Year 2 (2022)	Year 3 (2023)	Year 4 (2024)	Year 5 (2025)	Year 6 (2026 & forward)
Total Projected FTEs for Initial Grant	450	650	800	950	1,100	1,210

SUBSEQUENT GRANT AND MONETARY OBLIGATION

In the event that Company constructs the Expansion, Company will advance construction costs of the Expansion and, if the Subsequent Grant is earned either fully or partially, City will have the Monetary Obligation to reimburse up to \$7,900,000 in project costs (as such amount may be increased to refund Company 75% of any shortfalls paid under the previous section). Notwithstanding the foregoing, however, the amount of the Monetary Obligation will be \$10,000 per FTE relocated or created as part of the Expansion, up to a maximum of 2,000 FTEs. The Monetary Obligation for the Subsequent Grant shall not occur until the Company's baseline commitment of 1,210 FTEs under the Initial Grant has been met and the Expansion has occurred. If and when the Company has added more than 1,210 FTEs at the Property and substantially completed the Expansion, then in consideration of each additional FTE in excess of 1,210, the City shall disburse to Company an amount equal to the product of the actual number of new FTEs added at or relocated to the Property each year multiplied by \$10,000; provided, however, that the Property has generated enough tax incremental revenue to cover the Monetary Obligation and that in no event shall the Monetary Obligation exceed the Subsequent Grant (as such amount may be increased to refund Company 75% of any shortfalls paid under the previous section).

The Monetary Obligation consists of a limited and conditional obligation to repay Company an amount up to \$7,900,000, plus interest on the outstanding balance of the Monetary Obligation (except for those amounts repaid by Company to City for job shortfalls as described above) at 4.5% per year for up to 20 years from the creation of the TID. Payments on the Monetary Obligation are to be made annually, less annual expenses of \$7,500. City may, at any time or from time to time, without notice, penalty, or fee, prepay all or any portion of the Monetary Obligation. Upon Company adding or relocating a total of 2,000 FTEs and the Monetary Obligation has reached \$7,900,000 (as increased to refund Company 75% of any shortfalls paid under the previous section), City shall then pay to Company any interest earned as final payment of the Subsequent Grant.

Interest shall not begin to accrue until substantial completion of the Expansion. City will deposit the incremental tax revenue from the Property, less the amount needed to repay the City's debt service on the Initial Grant and City's annual expenses of \$7,500, into a special fund established for the TID. After substantial completion of the Expansion, such amount shall be used to disburse the Subsequent Grant to Company as described herein.

Tax incremental revenue will not be pledged to the payment of the Monetary Obligation, and the Monetary Obligation shall not constitute a general obligation of City or count against its statutory debt limits. All disbursements of tax incremental revenue from the Property collected in the TID shall be subject to annual appropriation. If not appropriated, City shall not expend such tax incremental revenue for any other TID project costs or for any other purpose. City agrees to negotiate, in good faith, terms and conditions within the definitive agreement which are reasonably acceptable to Company and its lender as it pertains to this paragraph.

Monetary Obligation Earned

Upon substantial completion of the Expansion, Company shall submit to the DCD Commissioner a certification reasonably detailing project costs incurred for the Expansion (together with copies of records, invoices and/or AIA documentation evidencing such expenditures). Interest will begin to accrue on the balance of the Monetary Obligation as of the date of substantial completion of the Expansion.

Term of Payments

City's payments of the Monetary Obligation will terminate: (i) at the time the Subsequent Grant is fully paid to the Company; or (ii) with the payment derived from the 2040 tax levy, payable in 2041, whichever occurs first.

OTHER ENTITLEMENTS OR APPROVALS

City will work with Company to secure, on an expedited basis, any zoning changes, right-of-way vacations, right-of-way dedications and any other approvals, entitlements, permits and/or inspections required for the Project and Expansion, including adding a driveway off of North 5th Street for a new drop off area near the front door of the Property.

FORCE MAJEURE

All milestones for commencement, renovation costs, substantial completion, opening and all other targets for Company operations and employment shall be subject to "Force Majeure." Force Majeure delays due to circumstances beyond the Company's control shall be excused for the period of the delay plus a reasonable time to recover from such delay.

GENERAL

This Term Sheet does not constitute a binding agreement. The terms set forth herein and other provisions customary for a transaction of this sort, shall be incorporated into a Cooperation, Contribution and Redevelopment Agreement; a Human Resources Agreement; a PILOT Agreement and any other documents, instruments or agreements necessary to accomplish the objectives described above. In recognition that there may be adjustments of the dates and descriptions herein as well as administrative approvals which will require the exercise of reasonable discretion on behalf of City, the DCD Commissioner will be authorized under these agreements to exercise such discretion and grant such approvals.

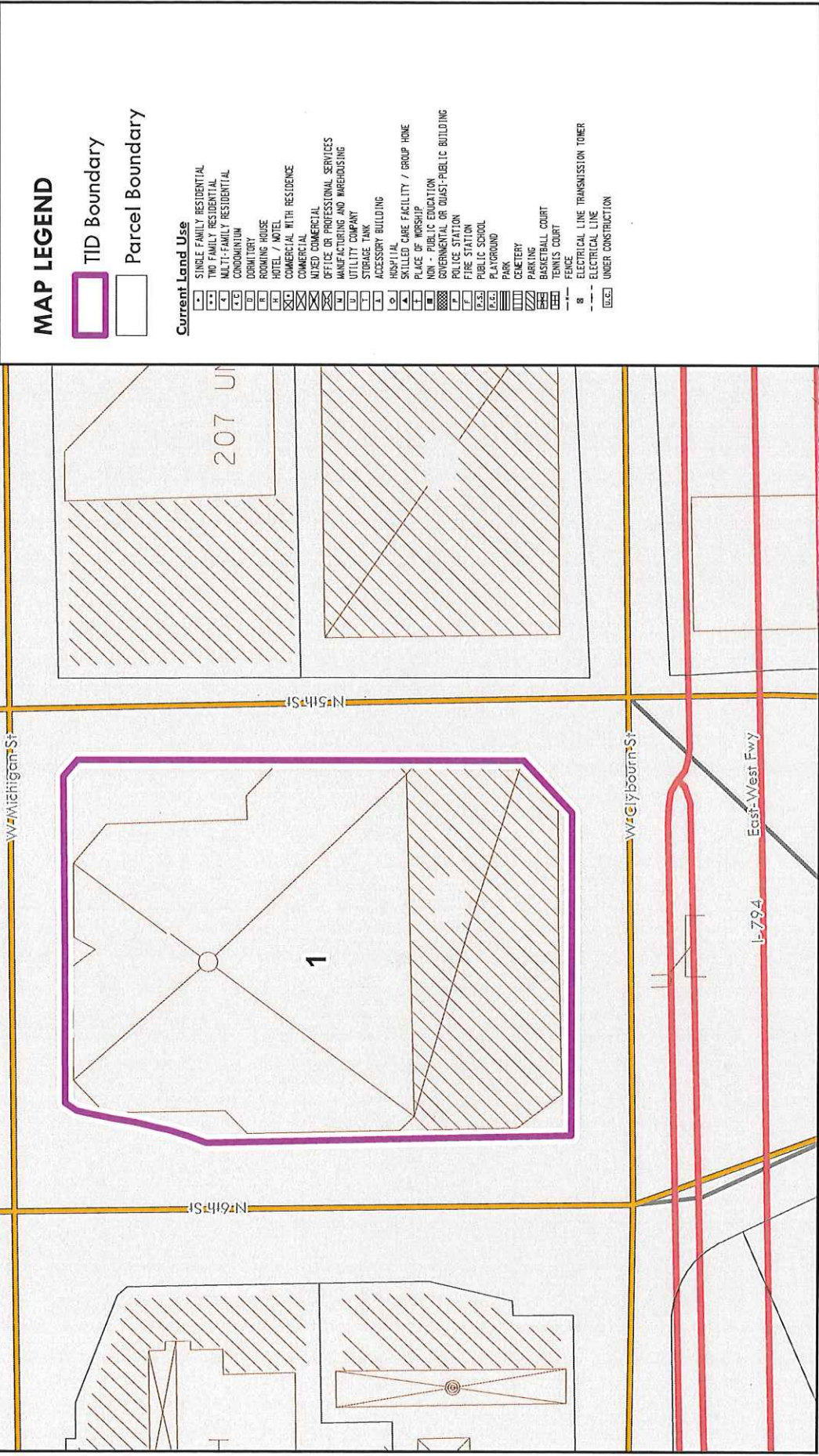
TID NO. 108: 5TH AND MICHIGAN, MAP 1

BOUNDARY AND EXISTING LAND USE

Prepared by the Department of City Development Planning Division, 3/22/2021
 Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST	
No. Taxkey	Property Address
1	361-0814-122 501 W MICHIGAN ST



MAP LEGEND

- TID Boundary
- Parcel Boundary

Current Land Use

- SINGLE FAMILY RESIDENTIAL
- TWO FAMILY RESIDENTIAL
- MULTI-FAMILY RESIDENTIAL
- CONDOMINIUM
- DORMITORY
- ROOMING HOUSE
- HOTEL / MOTEL
- COMMERCIAL WITH RESIDENCE
- MIXED COMMERCIAL
- OFFICE OR PROFESSIONAL SERVICES
- MANUFACTURING AND WAREHOUSING
- UTILITY COMPANY
- STORAGE TANK
- ACCESSORY BUILDING
- HOSPITAL
- SKILLED CARE FACILITY / GROUP HOME
- PLACE OF WORSHIP
- NON-PUBLIC EDUCATION
- GOVERNMENTAL OR QUASI-PUBLIC BUILDING
- POLICE STATION
- FIRE STATION
- PUBLIC SCHOOL
- PLAYGROUND
- PARK
- CEMETERY
- PARKING
- BASKETBALL COURT
- TENNIS COURT
- FENCE
- ELECTRICAL LINE TRANSMISSION TOWER
- ELECTRICAL LINE
- UNDER CONSTRUCTION

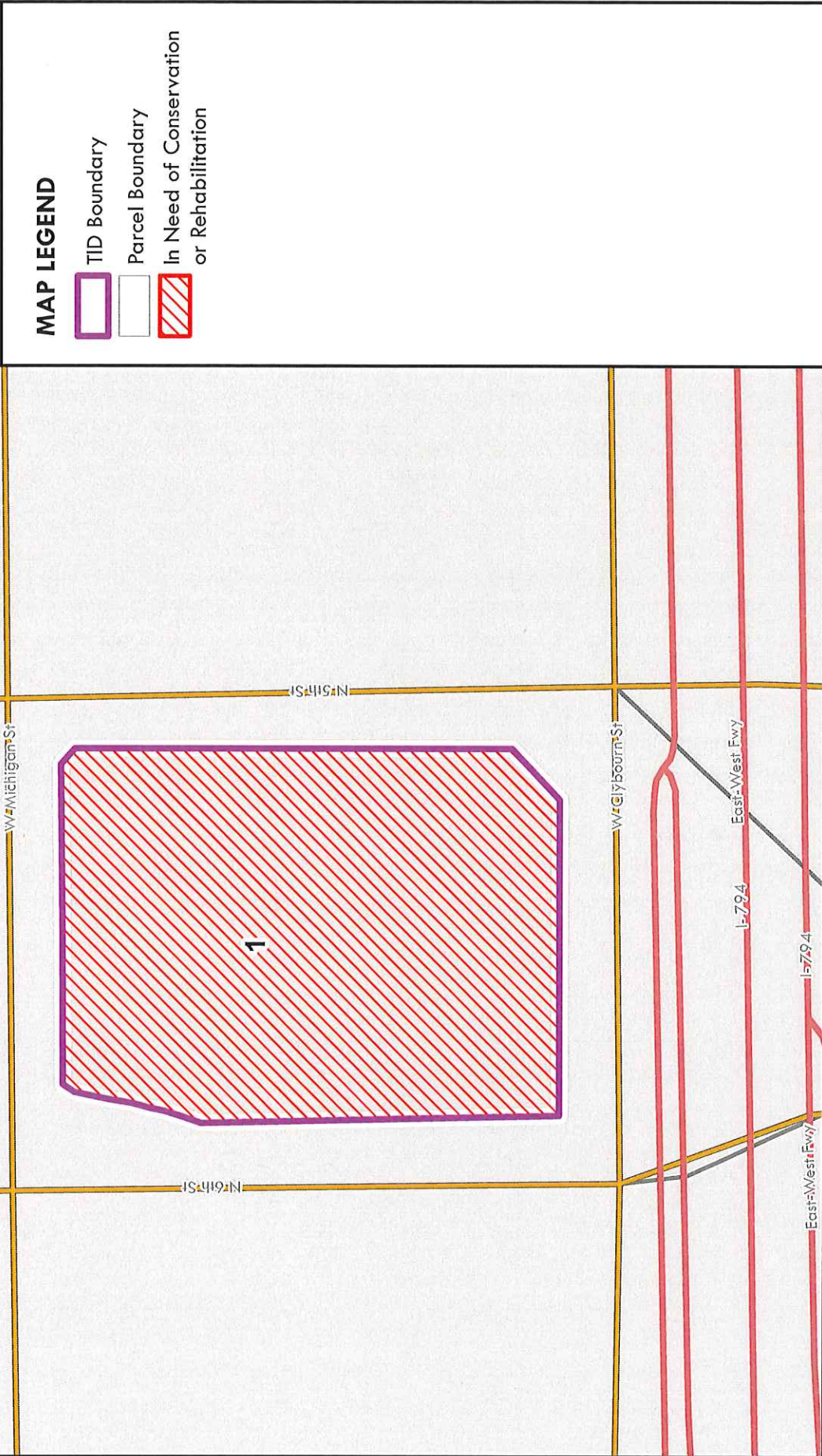
TID NO. 108: 5TH AND MICHIGAN, MAP 2

STRUCTURE CONDITION

Prepared by the Department of City Development Planning Division, 3/22/2021
 Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST	
No. Taxkey	Property Address
1	361-0814-122 501 W MICHIGAN ST

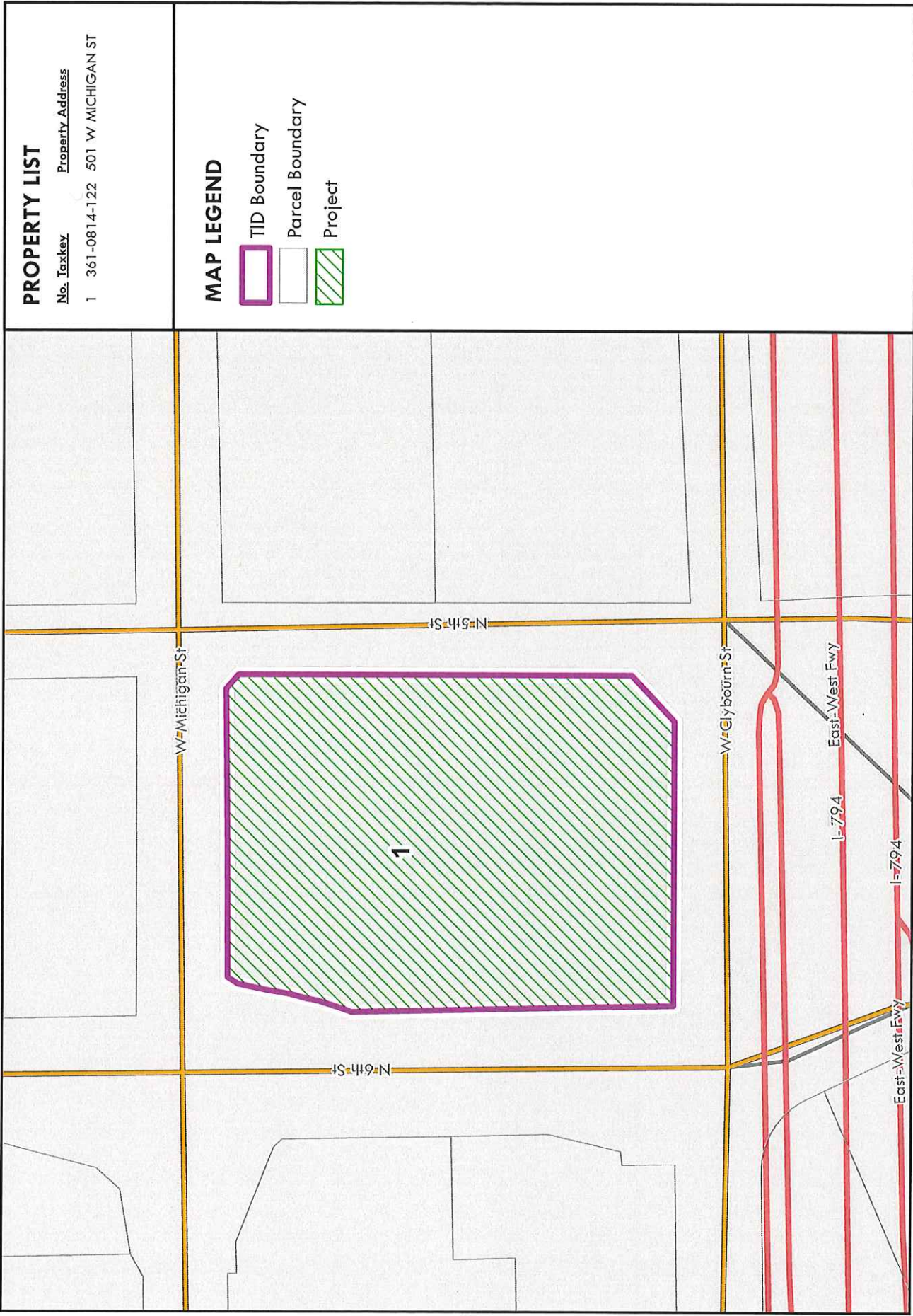




Prepared by the Department of City Development Planning Division, 3/22/2021
Source: DCD Planning Division; Information Technology Management Division






TID NO. 108: 5TH AND MICHIGAN, MAP 3 PROPOSED USES AND IMPROVEMENTS



PROPERTY LIST

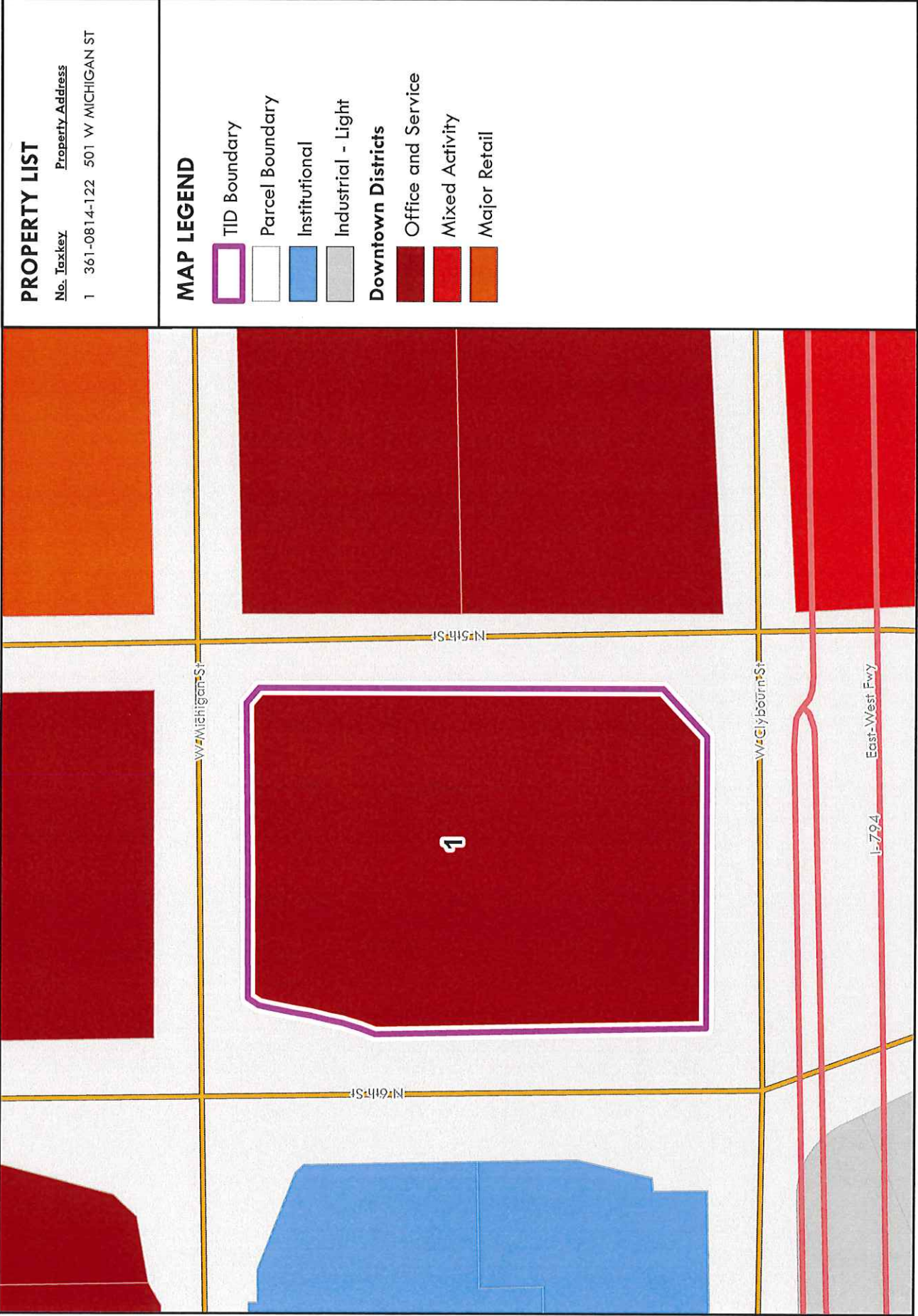
No.	Taxkey	Property Address
1	361-0814-122	501 W MICHIGAN ST

MAP LEGEND

-  TID Boundary
-  Parcel Boundary
-  Project

TID NO. 108: 5TH AND MICHIGAN, MAP 4 EXISTING ZONING

Prepared by the Department of City Development Planning Division, 3/22/2021
Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST

No. Taxkey Property Address

1 361-0814-122 501 W MICHIGAN ST

MAP LEGEND

- TID Boundary
 - Parcel Boundary
 - Institutional
 - Industrial - Light
- Downtown Districts**
- Office and Service
 - Mixed Activity
 - Major Retail

EXHIBIT H

Insurance Requirements

DEVELOPER agrees, prior to commencement of construction work on the Project, to procure and maintain, or cause its contractors, subcontractors and suppliers to procure and maintain, worker's compensation insurance, employer's liability insurance, business automobile liability insurance, and commercial general liability (CGL) insurance, and to cause its architects, engineers and design/build contractors or subcontractors to procure and maintain these same insurances together with professional liability insurance. Each CGL policy shall include coverage for liability arising from premises, onsite storage of tools and equipment, operations, independent contractors, products-completed operations, personal injury, and advertising injury, contractual liability, and broad form property damage. Certificates of insurance shall be provided to CITY within 30 days prior to commencement of construction of the Project. All policies shall state that CITY shall be afforded a 30 day written notice of cancellation, non-renewal or material change by any insurers providing the coverage required by CITY for the duration of the construction of the Project. These policies shall be written by insurers lawfully authorized to do business in the State of Wisconsin and reasonably acceptable to CITY, and must have a current A.M. Best rating of A-VIII or better, with at least the following limits of liability:

1. Worker's Compensation at statutory rates
2. Employer's Liability Insurance – including bodily injury by accident and by disease,
\$1,000,000 per occurrence
\$1,000,000 aggregate
3. Business Automobile Liability Insurance – including rented, leased and owned vehicles
\$1,000,000 per occurrence
\$2,000,000 aggregate
\$10,000 medical expense (per person)
4. Commercial General Liability Insurance
\$2,000,000 per occurrence
\$2,000,000 general aggregate
\$2,000,000 products/completed operations aggregate
\$1,000,000 personal & advertising injury limit
\$5,000 medical expense (per person)
5. Professional Liability Insurance (architects/engineers/design-build contractors or subcontractors only)– project-specific coverage, including prior acts coverage sufficient to cover all services performed for the PROJECT with a two year tail coverage following final payment to insured for this PROJECT services.
\$3,000,000 per claim
\$3,000,000 aggregate

6. Excess/Umbrella Insurance – form following CGL and Business Automobile Liability Insurance
\$ 5,000,000 per occurrence/aggregate

CITY and RACM shall be named as additional insureds for the Commercial General Liability Insurance coverage. DEVELOPER shall assemble and furnish to CITY Certificates of Insurance evidencing coverage as provided above from insurers licensed in the State of Wisconsin and reasonably acceptable to CITY. DEVELOPER shall provide updated Certificates of Insurance annually through completion of the Project and during products/completed operations, and the tail coverage periods.