



**Department of City Development**  
City Plan Commission  
Redevelopment Authority of the City of Milwaukee  
Neighborhood Improvement Development Corporation

**Rocky Marcoux**  
Commissioner  
rmarco@milwaukee.gov

**Martha L. Brown**  
Deputy Commissioner  
mbrown@milwaukee.gov

October 8, 2015

Mr. James R. Owczarski  
City Clerk  
City Hall, Room 205  
Milwaukee, WI 53202

Dear Mr. Owczarski:

Enclosed is a fully executed copy of the Cooperation, Contribution and Development Agreement, Contract No 15-044 (CM), between Rexnord Industries, LLC, the Redevelopment Authority of the City of Milwaukee and the City of Milwaukee. Also included is a fully executed duplicate original of the Payment in Lieu of Taxes Agreement.

This agreement was executed pursuant to Common Council Resolution File No. 150381

Sincerely,



Scott A. Stange  
Procurement and Compliance Manager  
Department of city Development

Enclosure  
Cc: Dan Casanova (w/encl)  
Mary Schanning, esq (w/encl)



Document Number	COOPERATION, CONTRIBUTION AND DEVELOPMENT AGREEMENT
Document Title	

**COOPERATION, CONTRIBUTION AND DEVELOPMENT AGREEMENT**

**Tax Incremental District No. 75**

**(Rexnord / Zurn Project)**

Recording Area
Name and Return Address  Mary L. Schanning Assistant City Attorney City Attorney's Office 200 East Wells Street, Room 800 Milwaukee, WI 53202

Parcel Identification Number (PIN)

**DUPLICATE ORIGINAL**

**Drafted By:**  
 Mary L. Schanning  
 City Attorneys Office  
 800 City Hall  
 200 East Wells Street  
 Milwaukee, WI 53202

1050-2015-884:217447

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**COOPERATION, CONTRIBUTION AND  
REDEVELOPMENT AGREEMENT**

**Tax Incremental District No. 75 – Rexnord / Zurn Project**

**THIS AGREEMENT** is made as of the 30<sup>th</sup> day of September, 2015, by and among the CITY OF MILWAUKEE, a Wisconsin municipal corporation (the “City”); the REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, a public body corporate and politic created and existing under the laws of the State of Wisconsin (“RACM”) and REXNORD INDUSTRIES, LLC, a limited liability company organized under the laws of the State of Delaware (“Rexnord”).

**RECITALS**

1. The City, RACM, and Rexnord have agreed upon the basic terms for development of property located on West Freshwater Way, Milwaukee, Wisconsin, as legally described on **Exhibit A** attached hereto and made a part of this Agreement, (the “Property”).

2. On September 22, 2009, the City’s Common Council adopted File No. 090564, which approved a Project Plan and created Tax Incremental District No. 75 (Reed Street Yards) which was amended on November 30, 2011, by adoption of File No. 090688 approving Amendment No. 1 to the Project Plan and amended again on July 22, 2014, by adoption of File No. 140453 approving Amendment No. 2 to Tax Incremental District No. 75 which provided up to \$5,000,000 to create a Public/Private Venture Fund (“PPVF”) to be used to attract new businesses to the Reed Street Yards (collectively, as amended, “TID 75”).

3. The Property is located within the boundaries of TID 75.

4. Rexnord is a leading worldwide industrial company that delivers high quality engineered product solutions to the people that impact the global water and wastewater markets and that moved its headquarters to the Global Water Center adjacent to the Reed Street Yards in TID 75 in 2014.

5. In 2007, Rexnord, through an Affiliate, acquired Zurn Industries, LLC (“Zurn”), currently headquartered in Pennsylvania, and a global leader in water products such as commercial and residential plumbing fixtures, drains, tubing, valves and other water control devices.

6. Rexnord proposes to undertake the Project, as further defined herein, at the Property which shall include developing the Property for use as a new headquarters for Zurn.

7. In Common Council Resolution File No. 150381, adopted July 21, 2015, the City approved the term sheet, attached as **Exhibit B**, (the “Term Sheet”) with Rexnord Corporation, an Affiliate of Rexnord, that approved a grant of up to \$1,000,000 to be used by Rexnord for extraordinary site costs for development of the Property (the “Grant”), approved a forgivable

loan of up to \$900,000 to be used by Rexnord for relocation expenses necessary to relocate the Zurn headquarters to TID 75 (the "Loan") and authorized the execution of this Agreement and other Project Document to which the City is a party.

8. Rexnord intends to contract with the Development Partners to acquire the Property from the current owner and to design and construct the Building.

9. RACM, through the adoption of Resolution No. 10569 on July 2, 2015, approved the Term Sheet and authorized execution of this Agreement.

10. City and RACM intend to fund the Grant and Loan through the PPVF and a Wisconsin Economic Development Corporation Idle Sites Grant.

11. City, RACM and Rexnord represent and agree that the Project is consistent with and meets the conditions of the PPVF as described in the attached **Exhibit C**.

12. In order to induce the City and RACM to undertake the activities set forth in this Agreement, Rexnord is willing to cooperate with the City and RACM in the development of the Project in accordance with the terms of this Agreement.

13. In order to promote development of the Property and to assist in the creation of tax base and public improvements attending to such development, the City and RACM are willing to cooperate with each other and Rexnord in the development of the Property in accordance with the terms of this Agreement.

14. Rexnord has approved this Agreement and authorized its execution.

**NOW, THEREFORE**, in consideration of the above recitals and the mutual obligations of the Parties hereto, the City, RACM and Rexnord hereby 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 Zurn Industries, LLC or any other entity that is directly or indirectly under the same control, ownership or management as Rexnord.

**"Agreement"** means this Cooperation, Contribution, and Development Agreement, including all exhibits, as the same may be from time to time modified, amended or supplemented.

**"Building"** means the approximately 52,000 square foot building to be constructed on the Property as part of the Project.

**“Certificate of Completion”** means a certification, in a form substantially similar to that attached as **Exhibit D** hereto and made a part of this Agreement, provided to Rexnord by RACM in accordance with this Agreement.

**“Commissioner”** means the City’s Commissioner of City Development.

**“Development Partners”** means Klein Real Estate Development, Inc. and C.D. Smith Construction, Inc.

**“Environmental Laws”** means all federal, state and local laws including statutes, regulations, ordinances, codes, rules and other governmental restrictions and requirements relating to the discharge of air pollutants, water pollutants or process waste water or otherwise relating to the environment or hazardous substances including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Agency, regulations of the Nuclear Regulatory Agency, and regulations of the Wisconsin Department of Natural Resources now or at any time hereafter in effect.

**“Executive Director”** means the Executive Director of RACM or the Assistant Executive Director of RACM.

**“Extraordinary Site Costs”** means costs actually incurred by Rexnord at the Property related to environmental remediation and geotechnical conditions, including site excavation, site capping and building foundation systems.

**“Full-Time Employees”** means an employee of Rexnord or an Affiliate that is employed at the Property and that is required, as a condition of employment, to work at least 30 hours per week or at least 1,560 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.

**“Grant”** means funds up to \$1,000,000 (consisting of \$700,000 from the PPVF and \$300,000 from the WEDC Funds) granted by RACM to Rexnord to reimburse Rexnord for Extraordinary Site Costs in accordance with Article IV, below.

**“Human Resources Agreement”** means the agreement contemplated by Article XVI of this Agreement and attached as **Exhibit E**.

**“Loan”** means a \$900,000 forgivable loan from the PPVF with an interest rate of 4.5% provided to Rexnord by RACM to partially reimburse Rexnord, or its Affiliates, for the Relocation Costs.

**“Loan Agreement”** means the agreement between Rexnord and RACM describing the terms of the Loan and attached as **Exhibit F**.

**“Party”** means the City, RACM or Rexnord as the context may require.

**“Parties”** means City, RACM, and Rexnord.

**“PILOT Agreement”** means the payment in lieu of taxes agreement contemplated by Section 2.1(f) of this Agreement and attached as **Exhibit G**.

**“Plans and Specifications”** means design plans and specifications for the Project that have been submitted to and approved by the Commissioner in preliminary form, attached as **Exhibit H**, and which will be submitted to and approved in writing by the Commissioner in final form before Rexnord begins construction of the Project.

**“PPVF”** means the Public/Private Venture Fund created by Amendment No. 2 to TID 75 in an amount up to \$5,000,000 to be used for loans and grants to attract new businesses to TID 75.

**“Project”** means all of the items listed in Section 2.1 of this Agreement.

**“Project Documents”** means the Human Resources Agreement, the PILOT Agreement, the Loan Agreement and such other agreements and documents necessary to fulfill the requirements of this Agreement and to complete the Project.

**“Project Plan”** means the project plan for TID 75, as amended, adopted by City’s Common Council in order to provide for certain costs within TID 75.

**“Property”** means the real property located on West Freshwater Way, Milwaukee, Wisconsin, as legally described on **Exhibit A**.

**“Relocation Costs”** means costs actually incurred by Rexnord, or its Affiliate, in relocating the headquarters of Zurn to the Property including, but not limited to, moving employees from other Zurn locations; obtaining new furniture, fixtures, computers and other equipment; interior improvements to the Building to accommodate Zurn; hiring expenses and other costs necessary to relocate the Zurn headquarters to the Property.

**“Substantial Completion”** means completion of the Project in compliance with the final Plans and Specifications, the terms and conditions of the construction contract to be entered into by and between Rexnord and Development Partners, and all other requirements of this Agreement.

**“Tax Increment Law”** means section 66.1105, of the Wisconsin Statutes, as amended.

**“Term Sheet”** means the document attached as **Exhibit B**.

**“Termination Date”** means the date this Agreement terminates, which shall be the earliest of: (i) the date RACM issues the Certificate of Completion, (ii) the expiration of TID 75 or (iii) the date this Agreement is otherwise terminated in accordance with its terms.

**“TID 75”** means Tax Incremental District No. 75, created by the City’s Common Council in File No. 090564, adopted September 22, 2009, and amended on November 30, 2011, by the adoption of Common Council Resolution File No. 090688 and further amended on July 22, 2014, by the adoption of Common Council Resolution No. 140453 for the purpose of facilitating redevelopment efforts in an area generally known as the Reed Street Yards.

**“Unavoidable Delay”** means delays caused by adverse weather, acts of God, labor disputes, materials shortages, terrorism, civil unrest, concealed and unknown Property conditions and other causes outside of the control of a Party obligated to perform.

**“WEDC Funds”** means up to \$300,000 in funds that RACM received from a Wisconsin Economic Development Corporation Idle Sites Grant that will be used to fund a portion of the Grant.

**“Zurn”** means Zurn Industries, LLC, an Affiliate of Rexnord.

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 masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and words of the neuter gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

## ARTICLE II

### PROJECT DESCRIPTION AND PARTY RESPONSIBILITIES

2.1 Overall Project Description. The Project shall include Rexnord completing all of the following:

(a) Enter into contracts with one or more of the Development Partners to acquire the Property from the current owner, design and construct the Building in accordance with the final Plans and Specifications and convey the improved Property to Rexnord by March 31, 2017.

(b) Relocate the headquarters of Zurn to the Building, including relocating employees from Zurn’s current headquarters to the Property.

(c) Maintain the Zurn headquarters at the Property and increase employment at the Property to a total of at least 120 Full-Time Employees by March 31, 2021.

(d) Comply with the requirements of the Human Resources Agreement as described in Article XVI.

(e) Comply with the requirements of the Loan Agreement.



(f) Enter into the PILOT Agreement and record the PILOT Agreement and this Agreement with the Milwaukee County Register of Deeds at such time that Rexnord obtains ownership of the Property.

(g) Execute and deliver the Project Documents to which it is a party.

(h) Fulfill all of its other obligations set forth in this Agreement.

2.2 RACM Actions. In furtherance of the Project, RACM shall:

(a) Provide \$300,000 in WEDC Funds and \$700,000 in funds from the PVVF to Rexnord to fund the Grant in accordance with the terms of Article IV of this Agreement

(b) Provide the Loan to Rexnord in accordance with the Loan Agreement.

(c) Provide the Certificate of Completion to the Rexnord upon Substantial Completion and in accordance with the terms of Article VII of this Agreement.

(d) Execute and deliver the Project Documents to which it is a party.

(e) Fulfill all of its other obligations set forth in this Agreement.

2.3 City Actions. In furtherance of the Project, City shall:

(a) Assist Rexnord and Development Partners in obtaining, as expeditiously as possible, all permits, approvals, variances, licenses, certificates, inspections and consents that may be necessary or desirable to enable Rexnord to commence and carry out the Project.

(b) Provide \$1,600,000 to RACM from Tax Incremental Account No. TD07584100 for the purpose of funding the Loan and a portion of the Grant.

(c) Review and approve final Plans and Specifications in a timely manner.

(d) Execute and deliver the Project Documents to which it is a party.

(e) Fulfill all of its other obligations set forth in this Agreement.

### ARTICLE III

#### TID 75 PROJECT COSTS

3.1 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), Stats., and in order to aid RACM's redevelopment activities so that the Grant and the Loan will qualify as project costs for TID 75 pursuant to sec. 66.1105(2)(f)(1)(h), Stats.

(b) City and RACM agree that the Grant and the Loan 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) Rexnord agrees to cause the Project to be implemented and brought to Substantial Completion pursuant to the terms of this Agreement.

### 3.2 Findings and Representations.

(a) City. City makes the following findings and representations:

- (1) The Property lies within TID 75 and exhibits conditions that cause it to be “in need of rehabilitation or conservation work” under the Tax Incremental Law as evidenced by the Project Plan.
- (2) The Grant and Loan are “project costs” under the Tax Increment Law in multiple respects. *First*, both are contributions made under sec. 66.1333(13), Stats., for the purpose of carrying out redevelopment and assisting in a redevelopment project. *Second*, the Grant is a payment towards capital costs for the Project including environmental remediation under sec. 66.1105(2)(f)1.a., Stats. *Third*, the Loan will reimburse Rexnord and its Affiliate, for Relocation Costs under sec. 66.1105(2)(f)1.f., Stats. *Fourth*, both the Grant and the Loan are expected to cover professional service fees necessary for developing the Property and relocating Zurn to the Property under sec. 66.1105(2)(f)1.d., Stats.
- (3) The Grant and the Loan serve a public purpose by eliminating blighting conditions, enhancing City’s tax base, aiding in the creation of new full-time jobs in the City and inducing appropriate development of the Property.
- (4) The amounts of the Grant and the Loan are the amounts determined by City to be necessary to induce the Project.
- (5) City is incurring the Grant and the Loan as limited and conditional monetary obligations to pay for “project costs” under the Tax Incremental Law, and the City’s administrative costs in issuing the Grant and the Loan are “project costs,” within the meaning of sec. 66.1105(2)(f)1.e., Stats.
- (6) The Project is consistent with and meets the conditions of the PPVF as described in the attached **Exhibit C**

(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., Stats., gives RACM the same duties, powers, and privileges as if RACM had acquired the Property.
- (3) RACM endorses the Grant and the Loan as contributions made for the purpose of carrying on redevelopment and assisting in a redevelopment project.
- (4) The Project is consistent with and meets the conditions of the PPVF as described in the attached **Exhibit C**

(c) Rexnord. Rexnord declares that "but for" the Grant and the Loan, it would not undertake the Project.

## ARTICLE IV

### GRANT

#### 4.1 Grant Payments.

(a) The Grant shall be paid to Rexnord as reimbursement for Extraordinary Site Costs in an amount not to exceed \$1,000,000.

(b) Invoices for actual costs shall be submitted by Rexnord to the Executive Director for review and approval on such forms and with such backup information as the Executive Director shall reasonably request, which approval shall not be unreasonably delayed or denied. Only Extraordinary Site Costs actually incurred by the Rexnord will be approved for reimbursement. The Grant shall not reimburse for costs related to a developer's fee or other such oversight fees payable to Rexnord, its employees, agents or Affiliates for the Project.

(c) Payment to Rexnord shall be made by RACM for Extraordinary Site Costs as they are completed so long as Rexnord is in compliance with all terms of this Agreement and the final Plans and Specifications as determined by the Executive Director.

4.2 Termination. RACM has no obligation to make payments of the Grant if this Agreement terminates, as provided in Article XI or Section 19.4.

4.3 Adjustments Upon Occurrence of an Event of Default by Rexnord. If an Event of Default by Rexnord occurs and is continuing, then, subject to prior written notice from the Executive Director, RACM shall have no further obligation to make Grant payments to Rexnord until such time that the Event of Default has been cured. If the Event of Default is not cured and the Project does not reach Substantial Completion, Rexnord shall repay all Grant and Loan payments already made by RACM within 60 days of receiving written request by the Executive Director.

#### 4.4 Jobs Guarantee.

(a) In exchange for the Grant, Rexnord guarantees that it, or its Affiliate, will continuously operate and occupy the Property from the date of Substantial Completion until March 31, 2021 and maintain Full-Time Employees in an increasing schedule resulting in a total of 120 Full-Time Employees by March 31, 2021.

(b) If the Annual Report dated June 1, 2021 filed by Rexnord pursuant to the Loan Agreement shows that the number of Full-Time Employees is less than 120 (a "Shortfall"), Rexnord shall file additional Annual Reports with RACM on June 1, 2022 and June 1, 2023 (the "Extra Annual Reports"). If the Extra Annual Reports show that the Shortfall continues for the two years following March 31, 2021, Rexnord shall repay the Grant to RACM for the Shortfall in employment at the rate of \$8,333 per Full-Time Employees below the required 120 (\$1,000,000/120 Full-Time Employees). If less than \$1,000,000 of the Grant has been paid to Rexnord at the time of the Shortfall, the repayment amount shall be calculated using the actual amount of the Grant disbursed at that time.

(c) In the event of a Shortfall, RACM shall put Rexnord on notice that a Shortfall exists and triggering the Extra Annual Reports requirement. If the Shortfall continues for a period of two years, RACM may send Rexnord an invoice for the amount of the Grant to be reimbursed for the Shortfall as calculated pursuant to subsec. (b), above. Rexnord shall pay such invoice within 30 days after receipt.

## ARTICLE V

### INSPECTIONS

5.1 Rexnord and its contractors and subcontractors, including the Development Partners, 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, subcontractor or any of the Development Partners employed by Rexnord, on the other hand, in construction of the Project.

5.2 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 and Department of Neighborhood Services, 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, Rexnord shall provide RACM with any change orders and shop drawings relating to the Project.

5.3 In the event that the Executive Director determines, as a result of such inspections, that Rexnord's contractors or subcontractors, including the Development Partners, are not constructing the Project in accordance with the final Plans and Specifications, the Executive Director shall promptly inform Rexnord of such noncompliance and Rexnord shall, as soon as reasonably possible, require its contractors or subcontractors or Development Partners to remedy such noncompliance. The Executive Director may withhold payment of the Grant until such corrective measures are completed and the noncompliance cured in a satisfactory manner.

## ARTICLE VI

### ENVIRONMENTAL MATTERS

6.1 Rexnord covenants and agrees to indemnify and hold RACM and City, their officers, employees, officials and agents harmless from and against any and all third party claims for damages, costs, expenses (including reasonable legal, consulting and engineering fees) and third party awards of every type and nature arising in connection with the activities of Rexnord (or other persons acting under Rexnord's direction or control) at the Property that constitute violations or alleged violations of Environmental Laws; provided that this clause shall not apply and Rexnord shall have no obligation hereunder for any such activities to the extent that they arise out of or are in any way related to pre-existing environmental conditions.

6.2 RACM, City and Rexnord agree to provide to each other Party, immediately upon receipt, copies of any notice, pleading, citation, indictment, complaint, order, decree, correspondence or other document, from any source, asserting or alleging a circumstance or condition which:

- (a) constitutes a violation of any Environmental Laws at the Property;
- (b) requires or may require a clean-up, removal, remedial action or other response by or on the part of Rexnord under Environmental Laws; or
- (c) seeks damages or penalties (civil, criminal or punitive) from RACM, City or Rexnord for an alleged violation of Environmental Laws.

## ARTICLE VII

### CERTIFICATE OF COMPLETION

Promptly after Substantial Completion of the Project, Rexnord shall provide RACM with a copy of the occupancy permit for the Property and signed certification from its architect stating that the Project, as constructed, is in compliance with the final Plans and Specifications. Upon receiving this documentation and verifying that Rexnord has complied with its obligations under this Agreement, RACM shall furnish Rexnord with a Certificate of Completion in substantially the same form as attached as **Exhibit D**. 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.

## ARTICLE VIII

### RESTRICTIONS ON USE

Rexnord agrees for itself and its Affiliates to:

8.1 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 in any manner consistent

with applicable ordinances, covenants, or waivers related to applicable ordinances or covenants;  
and

8.2 Not 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 IX**

### **PROHIBITION AGAINST TRANSFER OF PROPERTY WITHOUT RACM CONSENT**

Rexnord, or its Affiliates, and the Development Partners, have 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, lease, 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 Rexnord remains liable and bound by this Agreement in which event the Executive Director's approval is not required. Notwithstanding the foregoing, (i) Rexnord may collaterally assign this Agreement to Rexnord's mortgage lender, if any; (ii) Development Partners may assign or transfer all or any portion of the Property to Rexnord or an Affiliate. Any transfer described in this Article IX shall be subject to the provisions of this Agreement. Rexnord shall provide written notice to RACM prior to any assignment or transfer, of any nature, under this Article IX.

## **ARTICLE X**

### **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.

10.1 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.

10.2 Any Party shall:

- (a) Become insolvent;
- (b) Be unable or admit in writing its inability to pay its debts as they become due;
- (c) Make a general assignment for the benefit of creditors or to an agent authorized to dissolve a substantial amount of its property;

- (d) Become subject (either voluntarily or involuntarily) to an order for relief within the meaning of the bankruptcy code;
- (e) File a petition to effect a plan or other arrangement with creditors;
- (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;
- (g) Apply to a court for the appointment of a receiver for any of its assets;
- (h) Have a receiver appointed for any of its assets (with or without consent) and such receiver shall not be discharged within 60 days after appointment; or
- (i) Otherwise become the subject of any federal or state bankruptcy or insolvency proceedings.

## **ARTICLE XI**

### **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 including but not limited to withholding disbursement of payments provided for in this Agreement.

## **ARTICLE XII**

### **INSURANCE**

Rexnord shall provide, or cause to be provided, general liability insurance consistent with the types and amounts set forth on **Exhibit I** attached hereto and made a part of this Agreement. Rexnord 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 XII. The certificates shall provide that the insurance company will furnish RACM and City with a 30 day written notice of cancellation, non-renewal or material change. Rexnord's obligations with respect to this Article XII shall terminate with the issuance of the Certificate of Completion.

## **ARTICLE XIII**

### **INDEMNIFICATION**

Rexnord agrees to indemnify and hold harmless RACM and City, their officers, employees, officials and agents (collectively, the "Indemnified Parties") from and against any and all third party claims for losses, damages, expenses, including all third party suits in equity or actions at law (including reasonable attorney fees) and liabilities arising from, in connection with, or as a result of the operation, construction or maintenance of the Project or any actions of Rexnord or the Development Partners 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 Rexnord in this Article XIII 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 XIV**

##### **UNAVOIDABLE DELAYS**

No Party or a Party's successor in interest, shall be considered in breach or default of its obligations under this Agreement in the event of an Unavoidable Delay applicable to that Party. The time for the performance of an obligation under this Agreement which is subject to an Unavoidable Delay shall be extended by a period of time commensurate with the extent of the delay caused by the Unavoidable Delay or as otherwise mutually-agreed upon by Rexnord, City and RACM.

#### **ARTICLE XV**

##### **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 Rexnord, 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 Rexnord, under the terms of this Agreement.

#### **ARTICLE XVI**

##### **HUMAN RESOURCES**

Rexnord, through Development Partners, shall comply with the requirements set forth in the Human Resources Agreement which shall require utilization of certified small business enterprises for 25% of construction costs, purchase of services and supplies and 18% for professional services; utilization of unemployed and underemployed City residents for no less than 40% of the total "worker hours" expended on construction; and compliance with applicable state and municipal labor standards. While the Parties acknowledge that Rexnord will enter into a separate contract requiring Development Partners to comply with the Human Resources Agreement on Rexnord's behalf, Rexnord shall remain liable to City for any non-compliance with the Human Resources Agreement.

#### **ARTICLE XVII**

##### **RECORDS**



17.1 Rexnord shall keep accurate, full and complete books and accounts with respect to the Relocation Costs and Extraordinary Site Costs and shall include a provision in all its contracts for the Relocation Costs and Extraordinary Site Costs requiring its contractors and subcontractors, including but not limited to the Development Partners, 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 of the Project.

17.2 City's Comptroller shall have the right, at its cost and expense and upon reasonable notice to Rexnord, its contractors or subcontractors, including but not limited to the Development Partners, as the case may be, to examine the books and accounts of Rexnord, its contractors or subcontractors and the Development Partners relating to the Relocation Costs and Extraordinary Site Costs during normal business hours.

## ARTICLE XVIII

### NOTICES

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

City:

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

RACM:

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

With a copy to:

Office of City Attorney  
800 City Hall  
200 East Wells Street  
Milwaukee, WI 53202  
Attn: Mary L. Schanning

Rexnord:

Rexnord Industries, LLC  
247 Freshwater Way, Suite 300  
Milwaukee, WI 53204  
Attn: General Counsel

## ARTICLE XIX

### MISCELLANEOUS PROVISIONS

19.1 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 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. 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.

19.2 Amendments. This Agreement shall not be amended, changed, modified, altered or terminated without the written consent of Rexnord, the City and RACM.

19.3 Successors. It is intended and agreed that, for the period specified in this Agreement, the covenants of Rexnord 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 Rexnord or any Affiliate having an ownership interest in the Property.

19.4 Governing Law and Termination. The laws of the State of Wisconsin shall govern this Agreement. This Agreement shall terminate on the Termination Date or may be terminated earlier by Rexnord at any time prior to the disbursement of any of the Grant or the Loan by RACM to Rexnord.

19.5 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.

19.6 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 Commissioner shall have the authority to provide such consent or approval or to exercise such

discretion. 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.

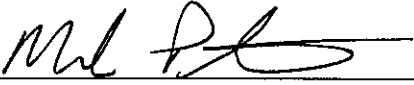
19.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument. Any Party may execute this Agreement by facsimile; provided that the Party provides an original of the facsimile signature to each other Party within five calendar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

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

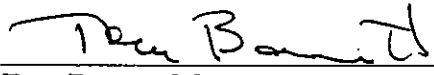
**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

*SIGNATURES ON NEXT PAGE*

**REXNORD INDUSTRIES, LLC**

By:   
Mark W. Peterson  
Sr. Vice President, CFO & Treasurer

**CITY OF MILWAUKEE**

  
Tom Barrett, Mayor


  
James R. Owczarski, City Clerk

**COUNTERSIGNED:**

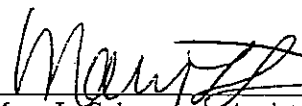
  
Martin Matson, Comptroller *mm*

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

  
William J. Schwartz, Chair

  
David P. Misky, Assistant Executive  
Director/Secretary

Signatures of Tom Barrett, Mayor; James R. Owczarski, City Clerk; and Martin Matson, Comptroller, authenticated this 18 day of September, 2015.

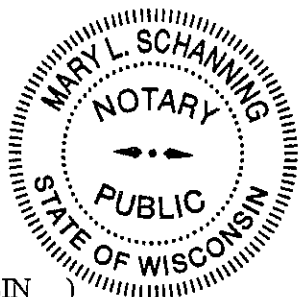
  
Mary L. Schanning, Assistant City Attorney  
State Bar No. 1029016

STATE OF WISCONSIN )  
 ) ss.  
COUNTY OF MILWAUKEE )

Personally came before me this 1st day of September, 2015, William J. Schwartz and David P. Misky, who acknowledged themselves to be the Chairperson and Assistant Executive Director-Secretary, respectively, of the Redevelopment Authority of the City of Milwaukee, a Corporation, and that they, as such officers, of said Corporation being authorized so to do, executed the foregoing Agreement for the purposes therein contained for and on behalf of said Corporation and as such officers caused the corporate seal to be hereunto duly affixed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

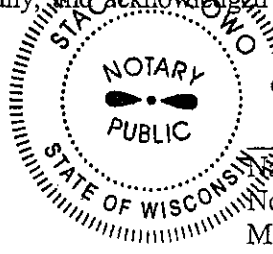
SEAL



Mary L. Schanning  
Notary Public  
Milwaukee County  
My commission is permanent

STATE OF WISCONSIN )  
 ) ss:  
MILWAUKEE COUNTY )

Personally came before me this 1st day of September 2015, Mark W. Peterson, the Sr. Vice President, CFO & Treasurer of the above-named Rexnord Industries, LLC, to me known to be the person who executed the foregoing instrument and to me known to be such Sr. Vice President, CFO & Treasurer of such limited liability company, and acknowledged that he/she executed the foregoing instrument as such officer.



Stacia Okoowo  
Name: Stacia Okoowo  
Notary Public, State of Wisconsin  
My Commission (is permanent) (expires: 11/9/2018)

**EXHIBIT A**

Legal Description of Property

Lot 2 of Certified Survey Map No. 8712, in the Northwest 1/4 of the Northeast 1/4 of Section 32, Township 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.

**Exhibit B**

06/29/15

**TERM SHEET**

**(Rexnord/Zurn Project – TID 75)**

**PROJECT**

Rexnord Corporation (“Rexnord”) is a leading worldwide industrial company comprised of two strategic platforms: Process & Motion Control and Water Management. Their Water Management platform delivers high quality engineered product solutions to the people that impact the global water and wastewater markets. Rexnord has offices throughout the world. In 2014, it moved its headquarters to the Global Water Center adjacent to the Reed Street Yards in the City of Milwaukee.

In 2007, Rexnord acquired Zurn Industries, LLC (“Zurn”), currently headquartered in Pennsylvania, and a global leader in water products such as commercial and residential plumbing fixtures, drains, tubing, valves and other water control devices.

Rexnord is considering building an approximately 52,000 SF building in the City of Milwaukee at the Reed Street Yards for the headquarters of Zurn and other Rexnord employees (the “Headquarters”). The building would initially contain 35 full-time employees and would grow to 120 full-time employees by March 31, 2021, as shown below:

	3/31/17	3/31/18	3/31/19	3/31/20	3/31/21	Total
Employees Added	35	25	20	20	20	120

As an incentive to move Zurn’s headquarters to the Reed Street Yards, the City of Milwaukee proposes to assist Rexnord with a \$1,000,000 grant for extraordinary site costs and a \$900,000 forgivable loan with an interest rate of 4.5% to partially offset its relocation, hiring and other costs necessary to relocate Zurn’s headquarters.

**PARTIES**

City of Milwaukee (“City”), Redevelopment Authority of the City of Milwaukee (“RACM”), Rexnord Corporation (“Rexnord”), Klein Development, Inc. and C.D. Smith Construction, Inc. (Klein Development, Inc. and C.D. Smith Construction, Inc. together the “Development Partners”).

**PARTIES’ OBLIGATIONS**

In order to receive financial assistance from RACM, Rexnord and/or the Development Partners must fulfill the following obligations:

- A. Development Partners shall acquire the Project site in the Reed Street Yards and obtain building permits for the construction of an approximately 52,000 SF building at the Reed Street Yards. Development Partner will sell the building to Rexnord Industries, LLC, an affiliate of Rexnord Corporation, for the purpose of relocating and maintaining Zurn's world headquarters at this location.
- B. Development Partners shall enter into a Human Resources Agreement with the City that will require Development Partners to utilize certified Small Business Enterprises for 25% of construction and supply costs and 18% of professional services costs on the project and utilize unemployed and underemployed residents, pursuant to the City's Resident Preference Program, for no less than 40% of total "worker hours" expended on construction of the project.
- C. Rexnord shall repay the forgivable loan in accordance with the terms of a Loan Agreement between Rexnord and RACM. Under the terms of the Loan Agreement, annual payments of principal and accrued interest on the loan will be completely forgiven so long as the employment projections shown above are met and maintained.
- D. Rexnord shall enter into a payment in lieu of taxes ("PILOT") agreement with the City agreeing to make PILOT payments to the City in the event that the Property ever becomes exempt from the payment of real property taxes.

#### **PAYMENT OF THE GRANT AND LOAN**

The City shall use funds approved as part of Amendment No. 2 to Tax Incremental District No. 75, which created a Public/Private Venture Fund and a Wisconsin Economic Development Corporation ("WEDC") Idle Sites Grant, to provide funding to Rexnord, on a cost reimbursement basis, for a grant up to \$1,000,000 to be used for extraordinary site costs and a forgivable loan up to \$900,000 to be used for relocation expenses necessary to relocate the Zurn headquarters to the Headquarters. The relocation expenses may include, but not be limited to, furniture, fixtures and equipment, office build-out and such other relocation costs approved by the Commissioner of City Development that are actually expended by Rexnord for the Headquarters location. The grant and loan shall be funded by the City and paid to Rexnord by RACM. The grant shall be paid on a reimbursement basis and the loan shall be paid on the loan closing date to be determined by the parties.

Rexnord shall provide City such reasonable documentation and certifications to substantiate its number of full-time jobs at the Headquarters annually on June 1 for the previous fiscal year as of March 31st. The first such annual reporting shall be for the fiscal year ending March 31, 2017.

In the event the annual jobs report as of March 31, 2021 shows that the number of full-time jobs at the Headquarters is less than 120 and such 'shortfall' continues for a period



of two years, the City may require Rexnord to refund the Grant for the 'shortfall' in employment at the rate of up to \$8,333 per job (\$1,000,000/120, approx.). If less than \$1,000,000 of the Grant has been paid to Rexnord at the time of the shortfall, the refund amount shall be calculated using the actual amount of the Grant disbursed at that time.

The term "full-time job" means any regular full-time position where an employee is required, as a condition of employment, to work at least 30 hours per week and at least 1560 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.

#### 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 development agreement, a human resources agreement, a loan agreement and any other documents 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 RACM or the City, the Commissioner of City Development and Executive Director of RACM will be authorized under these agreements to exercise such discretion and grant such approvals.

1050-2015-884:213979

## Exhibit C

### Funding Authorization and Conditions for the Reed Street Yards Public/Private Venture Fund

- Project:** Reed Street Yards Global Water Technology Park ("RSY"), a 17-acre site along the Menomonee Canal that is being marketed to serve Milwaukee's growing water industry. RSY is a public/private partnership between the City of Milwaukee, Building 41, LLC ("Owner") and General Capital Group ("Developer"). In 2014, a new street, Freshwater Way, and riverwalk were constructed on the site using funding from the Reed Street Yards Tax Incremental District No. 75 (the "District").
- Prospective Parties:** City of Milwaukee, Redevelopment Authority, Owner, Developer and future purchasers of land or tenants at RSY.
- District Investment:** Up to \$5,000,000 in grants or loans to fund costs associated with new office, research and/or industrial buildings at RSY or incentives for new businesses locating at RSY. The funds would come from the Reed Street Yards Public/Private Venture Fund ("PPVF"), approved as part of Amendment No. 2 to the District.
- Conditions:** Redevelopment Authority and Common Council of the City of Milwaukee approval of a final Term Sheet is required for any project receiving funding from the PPVF. In addition to customary provisions included in standard term sheets, the following conditions must be met and/or included:
- 50% of a new building must be pre-leased before construction commences or before PPVF funds are released
  - 70% of the square footage of the RSY must be leased to either Water Technology Related Businesses (as defined by the Development Agreement between the City, Redevelopment Authority and Owner dated September 1, 2012) or firms which bring new jobs to the City of Milwaukee
  - New buildings shall average one employee per 400 SF of leasable space
  - 50/50 split of any final project cost savings between the entity receiving PPVF funds and the City
  - Small Business Enterprise and Residence Preference Program requirements per Chapter 355 of the City of Milwaukee Code of Ordinances
  - Payment in Lieu of Taxes (PILOT) agreement for any current or future tax-exempt use
  - Funds to be disbursed based on actual costs incurred and pro rata with senior debt
  - Projected increment generated must fully amortize the District by year 24

**EXHIBIT D**

Document Number	Document Title
-----------------	----------------

CERTIFICATE OF COMPLETION

**CERTIFICATE OF COMPLETION**

Recording Area
Name and Return Address

Parcel Identification Number (PIN)

Project:

Property Address:

Rexnord:

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 (Rexnord / Zurn) dated as of \_\_\_\_\_, 2015 (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 Rexnord, Inc. 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.

Approved by the Agency on \_\_\_\_\_, by passage of Resolution No. \_\_\_\_\_.

Dated at Milwaukee, Wisconsin this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(SEAL)

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

\_\_\_\_\_

\_\_\_\_\_  
William J. Schwartz, Chairperson

\_\_\_\_\_

\_\_\_\_\_  
David P. Misky  
Assistant Executive Director-Secretary

STATE OF WISCONSIN    )  
                                  )SS.  
MILWAUKEE COUNTY    )

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, William J. Schwartz, Chairperson, and David P. Misky, 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 Chair 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, Assistant City Attorney.

**Exhibit E**

Human Resources Agreement

***HUMAN RESOURCES AGREEMENT***

***(Rexnord / Zurn Project – TID 75)***

**HUMAN RESOURCES AGREEMENT  
(REXNORD / ZURN PROJECT – TID 75 PROJECT)**

This Human Resources Agreement (“Agreement”) is entered into as of ~~August~~ <sup>September</sup> 30, 2015, by and between the City of Milwaukee, a Wisconsin municipality (“CITY”), REXNORD Industries, LLC, a limited liability company created under the laws of the State of Delaware (“REXNORD”), and C.D. Smith Construction, Inc., a Wisconsin corporation (“C.D. SMITH”).

**WHEREAS**, the parties to this Agreement acknowledge and understand that this Agreement is executed in conjunction with the Cooperation, Contribution and Development Agreement dated even herewith (“Development Agreement”) executed by CITY and REXNORD in connection with the implementation of the Project, as defined below;

**WHEREAS**, REXNORD and C.D. SMITH acknowledge 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**, REXNORD and C.D. SMITH acknowledge that CITY has established policies regarding the utilization of CITY residents in MCO §355-7; and

**WHEREAS**, REXNORD and C.D. SMITH acknowledge that CITY has established policies regarding payment of living wages in MCO §355-13-3;

**WHEREAS**, REXNORD and C.D. SMITH intend to enter into one or more contracts pursuant to which C.D. SMITH, assisted by Klein Real Estate Development, Inc. will acquire the Property, as that term is defined in the Development Agreement, design and construct the Project and, upon completion of the Project in accordance with the contracts between REXNORD and C.D. SMITH, convey the completed Project to REXNORD; and

**WHEREAS**, REXNORD and C.D. SMITH acknowledge that approval and execution of the Development Agreement by CITY was conditioned upon the REXNORD and C.D. SMITH

agreeing to meet the requirements of this Agreement with respect to the development of the Project.

**NOW, THEREFORE**, the parties agree as follows:

**I. DEFINITIONS**

1. SMALL BUSINESS ENTERPRISE (“SBE”) is a business that has been certified by the City of Milwaukee Office of Small Business Development (the “SBE Office”) based on the requirements of MCO § 370-25.

2. FIRST-SOURCE EMPLOYMENT PROGRAM means an employment program operated by CITY or its designee 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 means the REXNORD / ZURN – TID 75 Project, as more particularly described in Section 2.1 of the Development Agreement, to include the development of property located on West Freshwater Way, 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; work within trades for which there is no available SBE participation; other work not contracted through REXNORD or C.D. SMITH and over which REXNORD or C.D. SMITH does not have direction or control in the selection of contractors or material providers for the same; and other costs approved by REXNORD or C.D. SMITH and the SBE Office, with such approval not being unreasonably withheld. REXNORD and C.D.



SMITH or their respective representatives and the SBE Office 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 MCO §355-7.

## II. SMALL BUSINESS ENTERPRISE PROGRAM

C.D. SMITH shall, in developing and constructing the PROJECT, utilize SBEs for no less than 25% of the total PROJECT Construction Costs including the amounts expended for the purchase of non-professional services and supplies and 18% of the amounts expended for the purchase of professional services for the PROJECT deemed eligible pursuant to SBE guidelines, as summarized in **Exhibit A "Categories of Work."**

A. REXNORD shall require in its contract with C.D. SMITH, and pursuant to that contract and this Agreement, C.D. SMITH from and after the date of this Agreement and in conjunction with the implementation of the PROJECT, shall undertake the following activities:

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 shall be the minimum acceptable level of performance. Complete **Exhibit B "SBE Marketing Plan – Publications/Advertising Contacts"** and submit it to the SBE Office.
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 two weeks prior to the date the contract bidding process commences. C.D. SMITH shall document Community Agency Contacts by completing the Contact Sheet attached as **Exhibit C1 "SBE Contact Sheet"** and submitting the completed Contact Sheet to the SBE Office prior to commencement of the bidding process.
3. Complete and submit **Exhibit D "Form A – Contractor Compliance Plan"** to the SBE Office 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 two weeks in advance of the date that 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 two weeks) 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 CITY's SBE Office. 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, RFP or selection documents and advertisements an explanation of PROJECT requirements for SBE participation to prospective contractors and subcontractors.
11. As necessary and whenever 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 C.D. SMITH completes the aforementioned activities and demonstrates "good cause," as determined by the SBE Office, for not meeting the 25% requirement for SBE

participation for the construction, including supplies and non-professional services, of any phase or portion of the PROJECT or the 18% requirement for SBE participation for the purchase of professional services for any phase or portion of the PROJECT, it shall be deemed that REXNORD and C.D. SMITH have acted in "good faith" and have satisfied the requirement with respect to such phase or portion.

C. If at any point during the term of this Agreement, C.D. SMITH meets or exceeds the 25% requirement for SBE participation for the construction, including supplies and non-professional services, of any phase or portion of the PROJECT or the 18% requirement for SBE participation for the purchase of professional services for any phase or portion of the PROJECT, whether commenced before or after the date hereof, it shall be deemed that REXNORD and C.D. SMITH have achieved or exceeded CITY's SBE requirement with respect to the Project, for the purposes of fulfilling the terms of this Agreement.

D. Contract or subcontract amounts awarded to SBE suppliers, that do not manufacture products they supply, may only be counted for up to 20% of the 25% SBE participation requirement.

### **III. RESIDENT PREFERENCE PROGRAM**

REXNORD shall require in its contract with C.D. SMITH, and pursuant to that contract and this Agreement, C.D. SMITH 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 "worker hours" expended on "Construction," as defined in sec. 309.41 of the MCO,<sup>1</sup> included in PROJECT COSTS but less and excluding all non-Construction PROJECT COSTS. REXNORD shall require in its contract with C.D. SMITH, and pursuant to that

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<sup>1</sup> 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.

contract and this Agreement, C.D. SMITH 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 any first source hiring agency specified by the SBE Office.
2. Disseminating information provided by the SBE Office 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 SBE Office.
4. Working in cooperation with CITY, identify and implement any other activities and steps to maximize 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.

Prior to the commencement of the PROJECT, REXNORD and C.D. SMITH or their respective representatives and the SBE Office shall meet and confer to determine the eligible PROJECT COSTS, which are Construction costs subject to the mandatory RPP requirement. If at any point during the term of this AGREEMENT, C.D. SMITH meets or exceeds the 40% mandatory RPP requirement in conjunction with the PROJECT, it shall be deemed that REXNORD and C.D. SMITH have achieved or exceeded CITY's RPP requirement with respect to the PROJECT. In the event that C.D. SMITH is unable to meet the 40% mandatory RPP requirement and there are sufficient reasons to reduce the requirement, C.D. SMITH may seek a lesser requirement pursuant to Section 355-7-2-a of the Milwaukee Municipal Code.

C.D. SMITH shall file the reports attached as **Exhibit H "Construction RPP Hours Calculation"** to evidence compliance with RPP requirements with the SBE Office. All RPP reports shall be accompanied by supporting Employee Affidavits, in the form attached as **Exhibit G**.

#### **IV. SBE AND RPP REPORTING**

C.D. SMITH agrees to report to the SBE Office, CITY's Common Council and the Zoning, Neighborhoods and Development Committee of the CITY's Common Council on C.D. SMITH's utilization of SBEs and unemployed or underemployed residents in its 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, CITY requires, and C.D. SMITH agrees to take the following steps:

- A. Provide a list of all categories of work for each phase or portion of the PROJECT, with budget allowances, for which bids will be solicited and highlight those categories, based upon C.D. SMITH's knowledge and experience, which are conducive to SBE participation.
- B. Provide the SBE Office with documentation supporting efforts extended to solicit bids from SBEs. Upon request, C.D. SMITH shall make information related to SBE bids available to the SBE Office.
- C. Submit an SBE Monthly Report to the SBE Office on or before the 20th of each month, or a quarterly report with the approval of the SBE Office, on the form attached as **Exhibit I "Form D – SBE Monthly Report."**
- D. Submit an SBE/RPP Report to CITY's Common Council on a quarterly basis regarding achievement of SBE and RPP standards for the duration of construction of the PROJECT. The forms attached as **Exhibit H** and **Exhibit I** shall also be used for said quarterly reports.
- E. Upon request from the SBE Office, 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 SBE Office.
- F. Complete and submit a final **Exhibit I** and **Exhibit J "SBE Subcontractor Payment Form"** to the SBE Office upon completion of all construction of the PROJECT.

#### **V. LABOR STANDARDS AND WAGES.**

REXNORD shall require in its contract with C.D. SMITH, and pursuant to that contract and this Agreement, C.D. SMITH shall comply with all applicable state and municipal labor standards provisions on the PROJECT including, but not limited to, living wage requirements of

MCO §355-13-3. Unless precluded by Section 66.0903, Wis. Stats., any worker who performs work on the PROJECT shall, at a minimum, receive a living wage as defined in MCO §310-13-2-a. C.D. SMITH shall provide and cause its contractors and subcontractors to provide the SBE Office any necessary documentation relative to compliance with applicable labor standards provisions including, but not limited to, the City's living wage requirements on forms specified by the SBE Office.

**VI. CITY ADMINISTRATION.**

The SBE Office 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 SBE Office shall use good faith and act in a reasonable manner. Notwithstanding the foregoing, the SBE Office 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 SBE Office in the administration of this Agreement.

**VII. ADMINISTRATION.**

C.D. SMITH may retain a person or firm reasonably acceptable to the SBE Office, to act as C.D. SMITH'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. C.D. SMITH shall also comply with the reporting requirements set forth in Section IV of this Agreement.

**VIII. AUDIT RIGHTS.**

Rexnord shall require in its contract with C.D. SMITH, and pursuant to that contract and this Agreement, C.D. SMITH 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 and carrying out the duties and obligations of REXNORD and C.D. SMITH 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 from the date of this Agreement.

**IX. PUBLIC RECORDS.**

Records shall be maintained in accordance with requirements prescribed by the CITY with respect to all matters covered by this Agreement. All 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. REXNORD and C.D. SMITH acknowledge that they are obligated to assist the CITY in retaining and producing records that are subject to Wisconsin Public Records Law, and REXNORD and C.D. SMITH must defend and hold the City harmless from liability under that 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: SBE Program Office  
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 REXNORD: Rexnord Industries, LLC  
247 Freshwater Way, Suite 300  
Milwaukee, WI 53204  
Attn: General Counsel

C. To C.D. SMITH: C.D. Smith Construction  
P.O. Box 1006  
899 E. Johnson St.  
Fond du Lac, WI 54936-1006  
Attn: Michael Krolzcyk, Executive Vice President

With a copy to: Frederick T. Ridders  
Attorney at Law  
419 Venture Court  
P.O. Box 930555  
Verona, WI 53593

**XI. REXNORD AND C.D. SMITH TO COMPLY**

As provided herein, REXNORD shall, as part of its contract(s) with C.D. SMITH to complete the Project, require C.D. SMITH to comply, and cause all those contracting with C.D. SMITH to comply, with the terms of this Agreement and fulfill REXNORD's and C.D. SMITH's obligations with regard to the SBE and RPP requirements for the Project. However, REXNORD shall remain responsible and liable to the CITY for compliance with the terms of this Agreement.

**XII. SANCTIONS.**

In the event that any document submitted to CITY pursuant to this Agreement contains false, misleading or fraudulent information or demonstrates non-compliance with the requirements of this Agreement, the SBE Office may seek prosecution under § 355-19 MCO or the imposition of any of the following sanctions:





- a. Imposition of a requirement that remedial efforts be undertaken for the remaining portion of the PROJECT where initial reports demonstrate non-compliance with the resident preference hours required for the PROJECT.
- b. Specific performance or specified remedies under this Agreement.
- c. Collection of any living wage shortfall, with interest, for distribution to employees performing work on the PROJECT.
- d. Remedies available under the Development Agreement for such non-compliance.

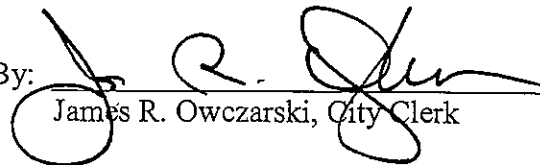
IN WITNESS WHEREOF, the parties have executed this Human Resources Agreement as of the 30<sup>th</sup> day of September, 2015.

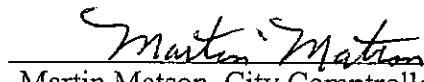
**REXNORD INDUSTRIES, LLC**

**CITY OF MILWAUKEE**

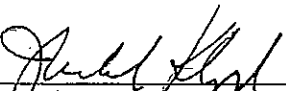
By:   
 Mark W. Peterson  
 Sr. Vice President, CFO & Treasurer

By:   
 Tom Barrett, Mayor

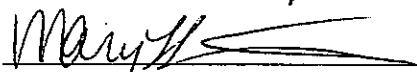
By:   
 James R. Owczarski, City Clerk

By:   
 Martin Matson, City Comptroller *My*

**C.D. SMITH CONSTRUCTION, INC.**

By:   
 Name: Michael Kubiak  
 Its: Executive Vice President

Approved as to form and execution and content this 18<sup>th</sup> day of September, 2015.

  
 Mary L. Schanning  
 Assistant City Attorney

**EXHIBIT A**  
**CATEGORIES OF WORK**

**CATEGORIES OF WORK**  
**CONSTRUCTION BUDGET FOR**  
**REXNORD / ZURN PROJECT -- TID 75**

<u>WORK DESCRIPTION</u>	<u>GENERAL</u>	<u>SUPPLIER ITEMS</u>
<b>SITE PREPARATION:</b>		
DEMOLITION	\$0.00	
EXCAVATION	\$0.00	
SOIL HAULING & DISPOSAL	\$0.00	
STORMWATER MANAGEMENT SYSTEM	\$0.00	
OTHER SITE:	\$0.00	
<b>BUILDING CONSTRUCTION:</b>		
FOOTINGS & FOUNDATION	\$0.00	
FLOOR SLAB	\$0.00	
STRUCTURAL STEEL**	**	\$0.00
GLAZING	\$0.00	
MASONARY	\$0.00	
ROOFING	\$0.00	
ROUGH CARPENTRY	\$0.00	
FINISH CARPENTRY	\$0.00	
DOORS, FRAMES & MILLWORK	\$0.00	
HVAC EQUIPMENT**	**	\$0.00
PLUMBING	\$0.00	
FIRE PROTECTION	\$0.00	
ELECTRICAL	\$0.00	
DRYWALL	\$0.00	
CEILINGS	\$0.00	
FLOORING	\$0.00	
CERAMIC TILE	\$0.00	
LIGHTING	\$0.00	
PAINTING/INTERIOR FINISH	\$0.00	
OTHER:	\$0.00	
OTHER:	\$0.00	
OTHER:	\$0.00	
<b>SITE IMPROVEMENTS:</b>		
PAVING	\$0.00	
LATERALS/CATCH BASIN	\$0.00	
LANDSCAPING	\$0.00	
FENCING	\$0.00	
OTHER:	\$0.00	

<b>TOTAL HARD COSTS</b>	-----	-----
	\$0.00	\$0.00

**PROFESSIONAL SERVICES**

ARCHITECTUAL	\$0.00
ENGINEERING	\$0.00
LEGAL SERVICES	\$0.00
SURVEY	\$0.00
ENVIRONMENTAL	\$0.00
GENERAL CONTRACTOR	\$0.00
CONSTRUCTION MANAGER	\$0.00
OTHER:	\$0.00

<b>TOTAL PROFESSIONAL SERVICES</b>	-----
	\$0.00

**COST SUMMARY & SBE CALCULATIONS**

	CATEGORY	RATE	SBE REQUIREMENT
CONSTRUCTION EXCLUDING SUPPLIER ITEMS		\$0.00 25%	\$0.00
SUPPLIER AMOUNT **		\$0.00 25%	\$0.00
PROFESSIONAL SERVICES		\$0.00 18%	\$0.00

<b>TOTAL SBE REQUIREMENTS</b>			-----
			\$0.00

**EXHIBIT B**

**SBE MARKETING PLAN – PUBLICATIONS/ADVERTISING CONTACTS**

**Milwaukee Times**

(Published weekly)

1936 North King Drive, Milwaukee, WI 53212

Tele. No: (414) 263-5088

Contacted \_\_\_\_\_yes \_\_\_\_\_no

Contact Person \_\_\_\_\_

Date and Time \_\_\_\_\_

**The Milwaukee Courier**

(Published weekly)

2003 W. Capitol Drive, Milwaukee, WI 53206

Tele No: (414) 449-4860

Fax: (414) 906-5383

Contacted \_\_\_\_\_yes \_\_\_\_\_no

Contact Person \_\_\_\_\_

Date and Time \_\_\_\_\_

**Milwaukee Community Journal, Inc.**

(Published twice weekly)

3612 North King Drive, Milwaukee, WI 53212

Tele No: (414) 265-5300

Contacted \_\_\_\_\_yes \_\_\_\_\_no

Contact Person \_\_\_\_\_

Date and Time \_\_\_\_\_

**Daily Reporter**

(Published daily M-F)

225 E. Michigan St., Suite 540, Milwaukee, WI 53202

Tele No: (414) 276-0273

Fax: (414) 276-8057

Contacted \_\_\_\_\_yes \_\_\_\_\_no

Contact Person \_\_\_\_\_

Date and Time \_\_\_\_\_

**Spanish Journal**

(Published weekly)

611 West National Avenue, Suite 316, Milwaukee, WI 53204

Tele No: (414) 643-5683

Fax: (414) 643-8025

Contacted \_\_\_\_\_yes \_\_\_\_\_no

Contact Person \_\_\_\_\_

Date and Time \_\_\_\_\_

**EXHIBIT C**  
**SBE MARKETING PLAN – COMMUNITY AGENCY CONTACTS**

**National Association of Minority Contractors**

6122 North 76th Street  
Milwaukee, WI 53218  
(414) 454-9475

**The Milwaukee Urban League**

435 West North Avenue  
Milwaukee, WI 53212  
(414) 374-5850

**African American Chamber-Commerce**

633 W Wisconsin Ave., Suite 1001  
Milwaukee, WI 53203  
(414) 462-9450

**Hispanic Chamber of Commerce of Wisconsin**

1021 W National Ave.  
Milwaukee, WI 53204  
(414) 643-6963

**Hmong Wisconsin Chamber of Commerce**

6815 W. Capitol Drive, Suite 204  
Milwaukee, WI 53216  
(414) 645-8828



# 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: \_\_\_\_\_ Email: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

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  
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](http://www.milwaukee.gov/osbd) for a complete list of certified firms.

**IV. SUBCONTRACTOR INFORMATION**

Subcontractor Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Owner/Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Work performed / Materials supplied: \_\_\_\_\_

City of Milwaukee SBE Certification  Yes  No

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

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

Subcontractor Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Owner/Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Work performed / Materials supplied: \_\_\_\_\_

City of Milwaukee SBE Certification  Yes  No

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

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

**\*PLEASE DUPLICATE AS NEEDED TO PROVIDE ADDITIONAL SUBCONTRACTOR INFORMATION\***

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



**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 RPP (Rev.2009)**

Contractor Name: \_\_\_\_\_

Development Project Name \_\_\_\_\_

**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 one)

- \_\_\_\_\_ 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 30 days.

**OR**

**Underemployed status:**

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

\_\_\_\_\_  
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

## RPP Chart

### Income Eligibility Guidelines July 1, 2015 to June 30, 2016

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

House-hold Size	Yearly	Monthly	Twice per month	Every 2 weeks	Weekly
1	15,301	1,276	638	589	295
2	20,709	1,726	863	797	399
3	26,117	2,177	1,089	1,005	503
4	31,525	2,628	1,314	1,213	607
5	36,933	3,078	1,539	1,421	711
6	42,341	3,529	1,765	1,629	815
7	47,749	3,980	1,990	1,837	919
8	53,157	4,430	2,215	2,045	1,023
9	58,565	4,881	2,441	2,253	1,127
10	63,973	5,332	2,667	2,461	1,231
11	69,381	5,783	2,893	2,669	1,335
12	74,789	6,234	3,119	2,877	1,439
For Each Additional Household Member Add	5,408	451	226	208	104

Source: Wisconsin Department of Public Instruction  
School Nutrition Programs

**EXHIBIT H**

Rexnord / Zum Project – TID 75  
Construction RPP Hours Calculation  
Phase \_\_\_\_\_

RPP Goal

Total Construction Hours Worked Pursuant to § 355-7.1a. "Worker Hours" includes work performed by persons filling apprenticeship and on-the-job training programs and excludes the number of hours of work performed by all non-Wisconsin residents.	
Multiplied by 40%	
Applicable RPP Goal	
Total RPP Construction Hours	
RPP Hour Surplus/Shortfall	
RPP Percentage (Total RPP Construction Hours/Total Construction Hours Worked)	

# EXHIBIT I



CITY OF MILWAUKEE  
DEPARTMENT OF ADMINISTRATION  
OFFICE OF SMALL BUSINESS DEVELOPMENT  
**FORM D**

## SBE MONTHLY REPORT

The monthly report should be completed in its entirety and submitted no later than the 20th of every month to DOA-Office of Small Business Development. If this represents the final report, Form E - SBE Payment Certification should be attached for each subcontractor.

### SECTION I. GENERAL INFORMATION (REQUIRED)

Month: \_\_\_\_\_ Final Report:  Yes  No

Prime Contractor: \_\_\_\_\_

Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

City of Milwaukee SBE Certification:  Yes  No

Purchase Order / Contract #: \_\_\_\_\_ Project Name / Number: \_\_\_\_\_

Description of service performed and/or materials supplied: \_\_\_\_\_

Prime Contractor's Total \$ \_\_\_\_\_ Prime Contractor's YTD \$: \_\_\_\_\_

Start Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_ SBE Participation Requirement \$ \_\_\_\_\_ / \_\_\_\_\_ %

### SECTION II. SUBCONTRACTOR INFORMATION (REQUIRED)

List all SBE subcontractor firm(s) utilized in connection with the above contract, either as service performed and/or supplier for the month. Only SBE firms certified through the City Of Milwaukee Office of Small Business Development will be counted towards specified SBE requirements. Please visit the OSBD website [www.milwaukee.gov/osbd](http://www.milwaukee.gov/osbd) for a complete list of certified firms.

Name of SBE Firm	Service Performed / Material Supplied	Amount Paid for the Month (\$)	Total (\$) Paid Y-T-D
Total Payments to SBE			

### SECTION III. ACKNOWLEDGEMENT (REQUIRED)

I/we hereby certify that I/we have ready the above and approved this information to be precise and confirmed. I further understand that failure to return this form by the specified time may cause a delay in payments (if applicable).

Report Prepared by: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Department of Administration - Business Operations Division  
Office of Small Business Development  
City Hall, Room 606  
Milwaukee, WI 53202  
Information Line: 414-286-5553 Fax: 414-286-8752  
[www.milwaukee.gov/osbd](http://www.milwaukee.gov/osbd)

## DIRECTIONS FOR COMPLETING FORM D - MONTHLY REPORT

### SECTION I. GENERAL INFORMATION

Please provide all contractual information as indicated in Section I.

If the purchase order/ contract or project requires Small Business Enterprise (SBE) requirements, please indicate the percentage in the designated area.

### SECTION II. SUBCONTRACTOR INFORMATION

Monthly reports are due by the 20th of each month via fax at 414-286-8752 or US Postal Service.

The data should indicate payments for the previous month. If there are zero payments for a reporting period, a monthly report indicating such should still be submitted.

Only report payments to City of Milwaukee SBE firms. Non-SBE firms will not be counted towards participation requirements.

Please duplicate the form if you need to add additional payment information.

### SECTION III. ACKNOWLEDGEMENT

Sign and date Form D signifying that all information is precise and confirmed. Unsigned forms will not be accepted.

EXHIBIT J



City  
of  
Milwaukee

CITY OF MILWAUKEE  
DEPARTMENT OF ADMINISTRATION  
OFFICE OF SMALL BUSINESS DEVELOPMENT  
FORM E

SBE SUBCONTRACTOR FINAL PAYMENT CERTIFICATION

This form is to be completed and signed by the Prime Contractor and SBE subcontractor firms that were utilized in connection with contract listed below, either for service performed and/or as a supplier.

Prime Contractor Name: \_\_\_\_\_

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

Project Name: \_\_\_\_\_

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

Authorized Signer: \_\_\_\_\_ Date: \_\_\_\_\_

Subcontractor Name: \_\_\_\_\_

Total payment received \$ \_\_\_\_\_

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.

Owner/Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Submit this form with the Prime Contractor's final FORM D (SBE Monthly Report) to:

Department of Administration  
Office of Small Business Development  
City Hall - Room 606  
200 East Wells St  
Milwaukee, WI 53202  
(or fax to 414-286-8752)



**Exhibit F**  
Loan Agreement

**TID-75 LOAN AGREEMENT**

**(REXNORD / ZURN PROJECT)**

## TID-75 LOAN AGREEMENT

### (Rexnord / Zurn Project)

**THIS AGREEMENT** is made and entered into as of the 30<sup>th</sup> day of September, 2015, by and between 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, ("Payee") and Rexnord Industries, LLC, a Delaware Limited Liability Company, ("Borrower").

### WITNESSETH:

**WHEREAS**, Payee, Borrower and City of Milwaukee entered into a Cooperation, Contribution and Development Agreement dated even herewith (the "Development Agreement") regarding the Project at the Property, as those terms are defined in the Development Agreement, that Borrower will undertake; and

**WHEREAS**, the Development Agreement provides for a forgivable loan in the amount of \$900,000 ("Loan") from Payee to Borrower to partially offset Relocation Costs, as that term is defined in the Development Agreement; and

**WHEREAS**, City of Milwaukee's Tax Incremental District No. 75 ("TID 75") includes the Property which is to be developed by Borrower; and

**WHEREAS**, City of Milwaukee Common Council Resolution File No. 140453 approved Amendment No. 2 to TID 75 creating a Public/Private Venture Fund ("PPVF") to be used to provide loans and grants to developers to attract new businesses to TID 75 and City of Milwaukee's Common Council Resolution File No. 150381 approved funding the Loan to Borrower from the PPVF; and

**WHEREAS**, Payee, through its Resolution No. 10569 approved on July 2, 2015, approved making the Loan to Borrower, upon the terms and subject to the conditions hereinafter set forth.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises set forth herein, Borrower and Payee agree as follows:

### ARTICLE I DEFINITIONS

Any capitalized terms not defined within this Agreement, shall be defined as stated in the Development Agreement. As used in this Agreement, the following terms have the following meanings:

**"Affiliate"** means Zurn Industries, LLC; or any other entity that is directly or indirectly under the same control, ownership or management as Borrower.

**"Closing Date"** means September 30, 2015.

“Development Agreement” means the Cooperation, Contribution and Development Agreement between Borrower, Payee and the City of Milwaukee dated even herewith.

“Event of Default” means the occurrence of any of the events described in Article VII.

“Executive Director” means Payee’s Executive Director or the Executive Director’s designee.

“Full-Time Employee” means an employee of Borrower or an Affiliate that is employed at the Property and that is required, as a condition of employment, to work at least 30 hours per week or at least 1,560 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.

“Loan Documents” means this Agreement, the Note and all other documents, instruments, agreements and certificates related to or executed in connection with this Agreement and the transactions contemplated hereby.

“Loan Funds” means the proceeds of the Loan totaling \$900,000.00.

“Note” means a Note in the form attached hereto as Exhibit A.

## ARTICLE II THE LOAN

2.1 The Loan. Payee agrees, subject to the terms and conditions hereof and subject to the provision of funds to Payee by the City of Milwaukee pursuant to the Development Agreement, to make a forgivable loan in the principal amount of Nine-Hundred Thousand Dollars (\$900,000) to Borrower on the Closing Date. The Loan will be evidenced by the Note.

2.2 Interest Rate. The Note shall bear interest at a rate of 4.5% per annum during the term of the Loan. Payment of principal and accrued interest, if any, shall be due at the times and in the amounts specified in the Note.

2.3 Prepayments. Borrower will give Payee five days written notice of any prepayment of the Note, specifying the prepayment date and the amount to be prepaid. The Note may be prepaid by Borrower in full or in part, at any time, without penalty.

2.4 Loan Forgiveness. Notwithstanding section 2.2 above, annual payments of principal and accrued interest, if any, shall be completely forgiven if Borrower, or its Affiliate, maintains ownership of and continuously operates and occupies the Property from the date of Substantial Completion until March 31, 2021 and maintains Full-Time Employees at the Property in accordance with the following increasing schedule resulting in a total of 120 Full-Time Employees at the Property by March 31, 2021:

	3/31/17	3/31/18	3/31/19	3/31/20	3/31/21	Total
Employees Added:	35	25	20	20	20	120

For the avoidance of doubt, any overage in Full-Time Employees from the amounts required above in a given year shall be rolled over to the next annual period(s) for the benefit of Borrower in meeting a subsequent milestone(s) as long as those Full-Time Employees continue to exist in subsequent years. In the event any given Annual Report, as defined below, shows that the number of Full-Time Employees for a particular annual period is less than the total for that period, including the benefit to Borrower of any roll over from a previous period the annual loan payment due for that year shall be designated as non-forgivable.

2.5 Disbursements. Disbursement of the Loan Funds shall be made on the Closing Date.

2.6 Due in the Event of Sale. In the event that (i) legal or equitable title to all or any material part of the Property shall be sold, transferred or assigned (other than to Borrower or Affiliate) and Payee does not consent to such transfer then, at the option of and upon written notice to Borrower from Payee, the entire principal balance of the Loan shall be and become immediately due and payable; provided that Payee shall not unreasonably withhold any such consent of sale, transfer or assignment.

2.7 Allocation of Surplus. Any surplus Loan Funds not expended by Borrower for Relocation Costs upon Substantial Completion shall be repaid in full to Payee.

### **ARTICLE III BORROWER'S REPRESENTATIONS AND WARRANTIES**

In order to induce Payee to make the Loan, Borrower represents and warrants to Payee that:

3.1 Loan Purpose. Borrower will commence and complete the Project in accordance with the final Plans and Specifications and the terms of the Development Agreement.

3.2 Borrower. The Borrower is a limited liability company and in good standing in the State of Wisconsin.

3.3 Authorization and Binding Effect. The execution and delivery by Borrower of the Loan Documents to which it is a party, and the performance by Borrower of its obligations thereunder, are within its corporate power, are not in violation of any existing law, rule or regulation of any governmental agency or authority, any order or decision of any court, Borrower's organizational documents, or the terms of any material agreement, restriction or undertaking to which Borrower is a party or by which it is bound, and do not require the approval or consent of any governmental body, agency or authority or any other person or entity. The Loan Documents to which Borrower is a party, when executed and delivered, will constitute the valid and binding obligations of Borrower enforceable in accordance with their terms and conditions, except as limited by bankruptcy, insolvency or similar laws of general application affecting the enforcement of creditors' rights and except to the extent that general principles of equity might affect the specific enforcement of such Loan Documents.

3.4 Litigation. There is no litigation or administrative proceeding pending or, to the knowledge of Borrower, threatened against or affecting Borrower or the properties of Borrower, which if determined adversely, would have a material adverse effect upon the ability of Borrower to meet its obligations under this Agreement or the Note.

3.5 Tax Liability. Neither Borrower nor its members or Affiliates have outstanding unpaid tax liabilities except for taxes currently accruing from current operation and taxes that are not currently delinquent or disputed in good faith or which would not have a material adverse effect on the ability of Borrower to meet its obligations under this Agreement or the Note.

#### **ARTICLE IV CONDITIONS FOR BORROWING AND FORGIVENESS**

Payee's obligation to make the Loan and forgive subsequent repayments of the Loan is subject to the satisfaction of the following conditions:

4.1 On or Before the Closing Date. Payee shall have received the Note duly executed by Borrower.

4.2 Compliance with Loan Documents. Payee's obligation to make the Loan is conditioned upon Borrower's satisfaction of the following:

a. Compliance. Borrower, at the time of the disbursement of Loan Funds hereunder, shall be in compliance with all of the terms and conditions set forth herein and the Development Agreement, and no Event of Default nor any event which upon notice or lapse of time or both would constitute an Event of Default, shall have occurred and be continuing at the time of such disbursement; and

b. Total Project Cost. Borrower, prior to disbursement of Loan Funds hereunder, shall provide evidence reasonably satisfactory to Payee that it has disbursed or incurred the obligation to disburse all equity funds for the Relocation Costs.

4.3 Compliance with Forgiveness Provisions. Payee's obligation to forgive repayments of the Loan is conditioned upon Borrower's satisfaction of the requirements set forth in sec. 2.4 above. Beginning on June 1, 2017, Borrower shall provide Payee with annual reports, or such other documentation as requested by the Executive Director, that certifies and substantiates the number of Full-Time Employees at the Property as of March 31 of that year (the "Annual Report"). Borrower's obligation to file Annual Reports shall end after it files the June 1, 2021 Annual Report.

#### **ARTICLE V BORROWER'S AFFIRMATIVE COVENANTS**

Borrower covenants that until the Note has been paid in full:

5.1 Use of Property. Except as agreed to by the Payee, the Property shall remain under the ownership of Borrower or its Affiliate and be used primarily for offices for Borrower or its Affiliate.

5.2 Condition of Property. Borrower or its Affiliate shall keep the Property in good condition, repair and working order and in compliance with all applicable standards of the City of Milwaukee Building Code and in material compliance with all laws, ordinances and regulations affecting the Property.

5.3 Payment of Taxes. Borrower or its Affiliate shall pay and discharge all lawful taxes, assessments and governmental charges upon it or against the Property prior to the date on which penalties are attached thereto, unless and to the extent only that the same shall be contested in good faith and by appropriate proceedings by Borrower and appropriate reserves with respect thereto are established.

5.4 Inspection. Between Substantial Completion and March 31, 2021, Borrower or its Affiliate shall permit Payee to conduct reasonable and periodic inspections of the Property (when accompanied by a representative of Borrower or its Affiliate) during regular working hours or at other mutually agreed upon times to confirm that Borrower is in compliance with the terms of this Agreement.

5.5 Use of Loan Funds. Borrower shall utilize Loan Funds only for Relocation Costs related to the Project.

5.6 Books and Records. Borrower shall keep and maintain such books, records and other documents as may be reasonably necessary to reflect and disclose fully the amount and disposition of the Loan Funds, the total cost of activities paid for, in whole or in part, with the Loan Funds, and the amount and nature of all investments related to such activities which are supplied or to be supplied by other sources.

5.7 Audits. All such books, records and other documents maintained by Borrower under Section 5.6 shall be available at the offices of Borrower for inspection, copying, audit and examination at all reasonable times upon reasonable notice by any duly authorized representative of Payee.

## **ARTICLE VI BORROWER'S NEGATIVE COVENANTS**

Borrower covenants on behalf of Borrower and its Affiliates that, without the prior written consent of Payee, it will not, until the Note has been paid or discharged in full pursuant to its terms and conditions, knowingly commit or participate in committing any act of discrimination against any person on the basis of race, color, sexual orientation, sex, age, disability, lawful source of income, marital status, familial status, or national origin or ancestry in connection with the development or use of the Property.

**ARTICLE VII  
EVENTS OF DEFAULT; REMEDIES.**

7.1 Events of Default. The occurrence of any of the following shall constitute an Event of Default:

a. Commencement and Completion of the Project. Borrower's failure to commence construction of the Project within 6 months from the date hereof and substantially complete the Project by March 31, 2017;

b. Failure to Pay Note. Borrower's failure to make any payment due on the Note within ten business days after written notice from Payee that the same has become due and payable;

c. Falsity of Representations and Warranties. Should any representation or warranty made in any Loan Documents be false in any material respect on the date as of which made; or

d. Breach of Covenants and Agreements. Borrower's failure to comply with any covenant or obligation contained in this Agreement or the Development Agreement and continuance of such default for a period of 30 days after written notice to Borrower from Payee (or such longer period as may be agreed to in writing by Payee).

7.2 Remedies. Upon the occurrence of an Event of Default, the Note shall become immediately due and payable upon written notice from Payee. Presentment, demand, protest and notice of nonpayment and dishonor are hereby expressly waived.

7.3 Waiver. Payee may waive any Event of Default without waiving any other subsequent or prior Event of Default by Borrower. No delay on the part of Payee or any subsequent holder of the Note in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein described are cumulative and not exclusive of any other rights or remedies which Payee may otherwise have.

**ARTICLE VIII  
INDEMNIFICATION OF PAYEE**

Borrower agrees to indemnify and hold harmless Payee, its officers, employees, officials and agents from and against any and all losses, claims, damages, expenses and all suits in equity or actions at law (including reasonable counsel fees) and liabilities arising from, in connection with a default of the terms and conditions of this Agreement. Nothing in the foregoing indemnity shall protect Payee against its own default, negligence, or reckless or willful misconduct.



**ARTICLE IX  
MISCELLANEOUS**

9.1 Survival. The agreements, representations and warranties contained herein shall survive the Closing Date and execution and delivery of the Loan Documents.

9.2 Notices. All notices provided for herein shall be in writing and shall be (a) delivered or (b) sent by express or first class mail or by national overnight delivery service; and, if to Payee, addressed to it at:

Redevelopment Authority of the City of Milwaukee  
809 North Broadway  
Milwaukee, WI 53201  
Attn: Executive Director

and if to Borrower, addressed to it at:

Rexnord Industries, LLC  
247 Freshwater Way, Suite 300  
Milwaukee, WI 53204  
Attn: General Counsel

or to such other address with respect to either party as such party shall notify the other in writing; such notices shall be deemed given when delivered or mailed.

9.3 Titles. The titles of sections in this Agreement are for convenience only and do not limit or construe the meaning of any section.

9.4 Governing Law. This Agreement is being delivered in and shall be deemed to be a contract governed by the laws of the State of Wisconsin and shall be interpreted and enforced in accordance with the laws of the State Wisconsin, without giving effect to the conflict of laws principles thereof.

9.5 Entire Agreement. This Agreement and the other Loan Documents shall constitute the entire agreement of the parties pertaining to the subject matter hereof and shall supersede all prior or contemporaneous agreements and understandings of the parties in connection therewith. In the event of a conflict between this Agreement or the other Loan Documents, on the one hand, and the Development Agreement on the other hand, the terms of this Agreement or the other Loan Documents shall govern.

9.6 Amendments. This Agreement shall not be effectively amended, changed, modified, altered or terminated and no modification, alteration or amendment to this Agreement shall be binding upon either party hereto until such modification, alteration or amendment is reduced to writing and executed by both parties hereto.

9.7 Successors. Except as limited or conditioned by the express provisions hereof, the provisions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

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

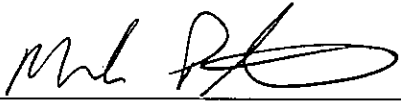
9.9 Severability. If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, in all cases because it conflicts with any other provision or provisions hereof or any 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 questions inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Agreement, shall not affect the remaining portions of this Agreement, or any part thereof.

9.10 Approvals. Whenever in this Agreement the consent or approval of any party is required or the discretion of any party may be exercised, such consent shall not be unreasonably withheld, conditioned, or delayed, and any such discretion shall be exercised in good faith and in a commercially reasonable manner. Whenever in this Agreement the consent or approval of Payee is required or the discretion of Payee may be exercised, the Executive Director shall have the authority to provide such consent or approval or to exercise such discretion.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month and year first above written.

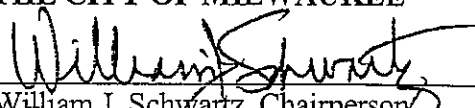
**REXNORD INDUSTRIES, LLC**

By:

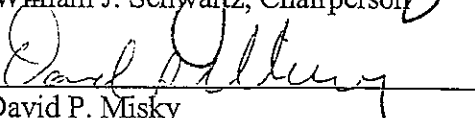
  
Mark W. Peterson  
Sr. Vice President, CFO & Treasurer

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

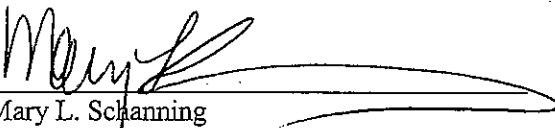
By:

  
William J. Schwartz, Chairperson

By:

  
David P. Misky  
Assistant Executive Director / Secretary

Approved as to form, execution and content this 18<sup>th</sup> day of September, 2015.

  
Mary L. Schanning  
Assistant City Attorney

**EXHIBIT A**

Note

## NOTE

\$900,000.00

Milwaukee, Wisconsin  
September 30, 2015

**FOR VALUE RECEIVED**, Rexnord Industries, LLC (“Borrower”) promises to pay to the order of the Redevelopment Authority of the City of Milwaukee (“Payee”), Milwaukee, Wisconsin, the principal sum of Nine-Hundred Thousand and 00/100 Dollars (\$900,000.00) pursuant to the terms of that certain Loan Agreement (“Loan Agreement”) dated on a date even herewith, entered into by Borrower and Payee. Principal and interest due hereunder shall be paid as follows:

1. Interest on the principal balance of the loan evidenced by this Note shall be calculated based on the rate of 4.5% per annum.
2. All payments under this Note shall be applied first to the payment of interest then due and the balance, if any, to principal. Interest will be calculated on the outstanding principal balance on the basis of a 360 day year comprised of twelve 30 day months to the date of receipt by Payee. If any payment received is less than interest due to the effective date of receipt of such payment, Payee reserves the right to add any such deficiency to principal.
3. The Loan shall be due and payable in five Annual Payments of Two Hundred and Five Thousand, Twelve and 48/100 Dollars (\$205,012.48). Such Annual Payments shall be made beginning on August 1, 2017 and ending on August 1, 2021.
4. Notwithstanding any other term or provision of this Note to the contrary, the Annual Payment shall be forgiven in each year Borrower meets the forgiveness provision in Sections 2.4 and 4.3 of the Loan Agreement.
5. All payments of principal and interest due hereunder shall be paid to Payee at 809 North Broadway, Milwaukee, Wisconsin 53202, Attention: Executive Director or to such other person or at such other address as Payee may from time to time direct.
6. The entire outstanding balance of principal, if not sooner paid, together with all accrued interest thereon, shall be due and payable upon the cessation of business operations at the Property.

This Note may be prepaid in full or in part at any time without penalty, provided that such prepayment must be accompanied by any unpaid and accrued interest.

Upon the occurrence of an Event of Default under the Loan Agreement, provided such Event of Default has not been cured to the reasonable satisfaction of Payee, the entire principal balance plus accrued interest shall, at the option of Payee, and without notice, notice being hereby expressly waived, mature and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at a later time or upon the occurrence of any subsequent Event of Default.

If any Annual Payment due under this Note or any payment required under the Loan Agreement is not fully paid within 15 business days after the date due, Borrower shall pay to Payee a late charge equal to 5.00% of such installment payment, to compensate Payee for the extra cost of handling delinquent payments. Neither the requirement that such late charge be paid, nor the payment of the late charge, will be deemed to be a waiver of a default arising from the late payment.

Nothing contained herein nor any transaction related hereto shall be construed or shall so operate either presently or prospectively (a) to require the payment of interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (b) to require the payment or the doing of any act contrary to law; but if any clause or provision herein contained shall otherwise so operate to invalidate this Note and/or the transaction related hereto, in whole or in part, then such clause(s) and provision(s) only shall be held for naught as though not contained herein and the remainder of this Note shall remain operative and in full force and effect.

If for any reason interest in excess of the amount as limited in the foregoing paragraph shall have been paid hereunder, whether by reason of acceleration or otherwise, then in that event any such excess interest shall constitute and be treated as a payment of principal hereunder and shall operate to reduce such principal by the amount of such excess on the date received by Payee, or if in excess of the then principal indebtedness, such excess shall be refunded.


All of the covenants contained herein shall bind, and the benefits hereof shall also inure to the respective successors and assigns of the parties hereto. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders. The rights and remedies of RACM as provided in this Note shall be cumulative and concurrent, and may be pursued singularly, successively or together against Borrower, at the discretion of RACM.

This Note shall be construed in accordance with the laws of the State of Wisconsin.

The Borrower agrees that if, and as often as, this Note is placed in the hands of an attorney for collection, or to defend or enforce any of the RACM's rights hereunder or under any document securing this Note, whether or not litigation is commenced, then, in the event that RACM is successful in any such collection or enforcement claim, the undersigned shall pay to RACM, RACM's reasonable attorney's fees, together with all court costs and other expenses incurred or paid by RACM in connection therewith.

**IN WITNESS WHEREOF**, the undersigned Borrower has executed this Note as of the date first above written.

**REXNORD INDUSTRIES, LLC**

By:   
\_\_\_\_\_  
Mark W. Peterson  
Sr. Vice President, CFO & Treasurer

**Exhibit G**

PILOT Agreement

	<b>PILOT AGREEMENT</b>
Document Number	Document Title

**PAYMENT IN LIEU  
OF TAXES AGREEMENT**

(Rexnord / Zurn – TID 75 Project)

Recording Area
Name and Return Address
Mary L. Schanning Assistant City Attorney Office of the City Attorney 200 East Wells Street, Suite 800 Milwaukee, WI 53202

Parcel Identification Number (PIN) \_\_\_\_\_

This PILOT AGREEMENT for payments in lieu of taxes (“PILOT Payments”) is made by and between the City of Milwaukee, a Wisconsin municipal corporation (the “CITY”) and Rexnord Industries, LLC, a limited liability company created under the laws of the State of Delaware (“REXNORD”) as of the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**RECITALS**

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

**WHEREAS**, REXNORD 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 is land located on West Freshwater Way in the City of Milwaukee to be redeveloped as the Rexnord / Zurn – TID 75 Project (the “PROJECT”) which is subject to that Cooperation, Contribution and Development Agreement, dated even herewith (the “DEVELOPMENT AGREEMENT”); and

**WHEREAS**, In Common Council Resolution File No. 150381, adopted July 21, 2015, the Common Council approved the Term Sheet, as defined in the DEVELOPMENT AGREEMENT, in order to provide for certain costs with respect to the PROJECT, which costs directly benefit REXNORD and the PROPERTY; and

**WHEREAS**, REXNORD agrees for itself and its successors and assigns, and to the extent applicable, 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, and to the extent applicable, to have REXNORD 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 order to assure the financial viability of City’s Tax Incremental District No. 75 (“TID 75”); 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 Recital clauses 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 REXNORD 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.; provided that the CITY did not cause or contribute to said *force majeure*, in whole or in part) or because REXNORD, its successors or assigns, asserts 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, REXNORD 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 REXNORD 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., REXNORD 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 75 is terminated, shall be the Value<sup>1</sup> for that tax year determined by CITY's Assessor times the Total Property Tax Rate<sup>2</sup> 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 REXNORD 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. REXNORD 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 dollar for dollar by any such mandatory payment paid by REXNORD or its successors or assigns to CITY.

---

<sup>1</sup> "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.

<sup>2</sup> "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 2014, the applicable Total Property Tax Rate was \$29.97 per \$1,000 of assessed value).

#### 4. EXEMPT STATUS.

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 REXNORD 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 REXNORD 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 REXNORD or its successors or assigns disagree with CITY's determination that the PROPERTY or any part thereof no longer qualifies for tax exemption, REXNORD 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, REXNORD 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.

REXNORD, 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 REXNORD 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 75, but until then, shall run with the land and be binding on all successors and assigns of REXNORD having an interest in any portion of the PROPERTY.

**6. APPEAL OF ASSESSED VALUE.**

REXNORD 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 REXNORD'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 REXNORD's right to contest the assessed valuation of the PROPERTY under said statutes.

**7. DOCUMENTS, INSPECTION, COOPERATION.**

REXNORD 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 REXNORD 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 REXNORD in this 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. REXNORD 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 REXNORD 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. REXNORD 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.**

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

*[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. Oczwarski, City Clerk

COUNTERSIGNED:

\_\_\_\_\_  
Martin Matson, Comptroller

Signatures of Tom Barrett, Mayor and James R. Oczwarski, City Clerk and Martin Matson, Comptroller authenticated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mary L. Schanning, Assistant City Attorney  
State Bar No. 1029016





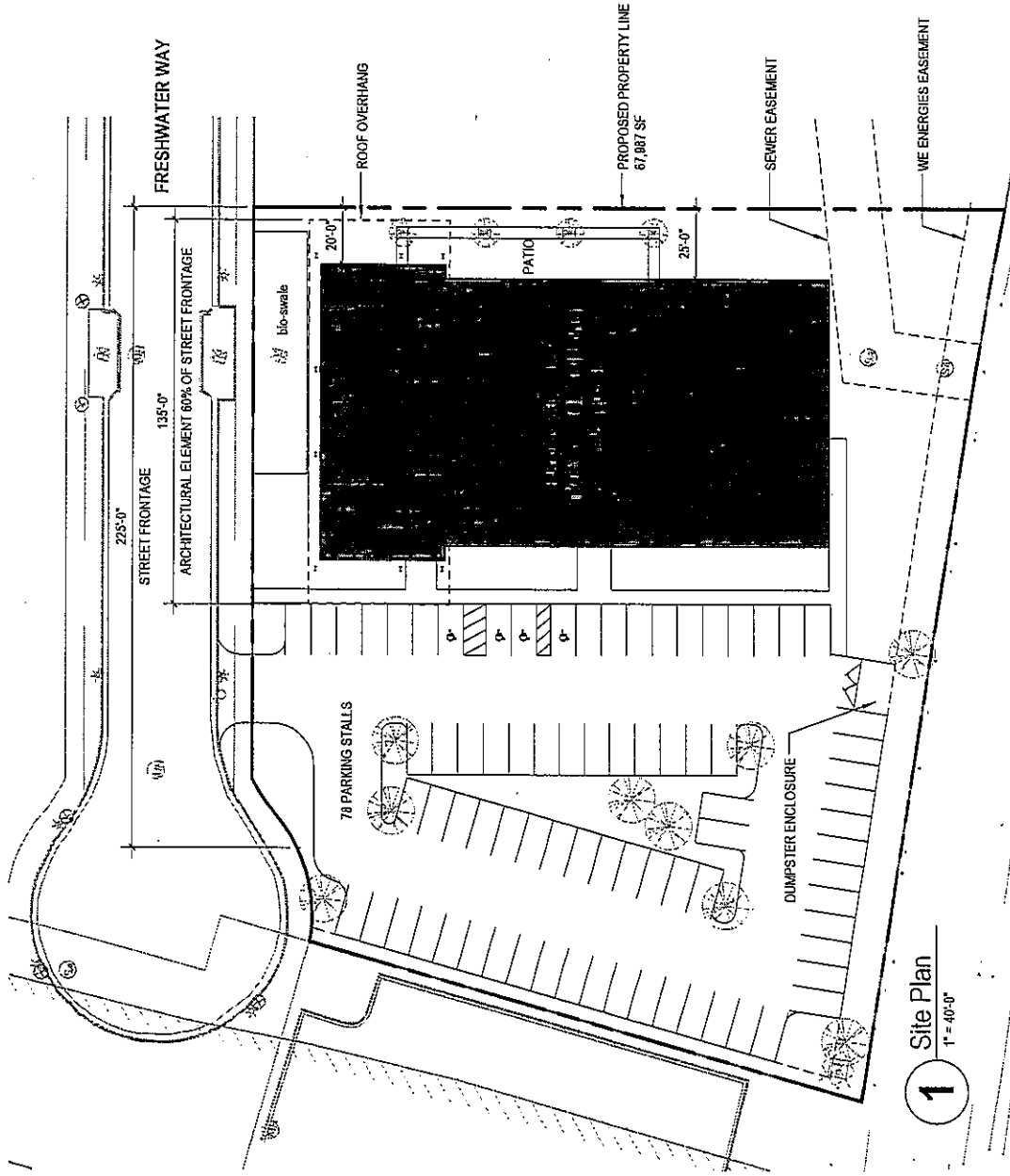
EXHIBIT A

Legal Description of Property

Lot 2 of Certified Survey Map No. 8712, in the Northwest 1/4 of the Northeast 1/4 of Section 32, Township 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.

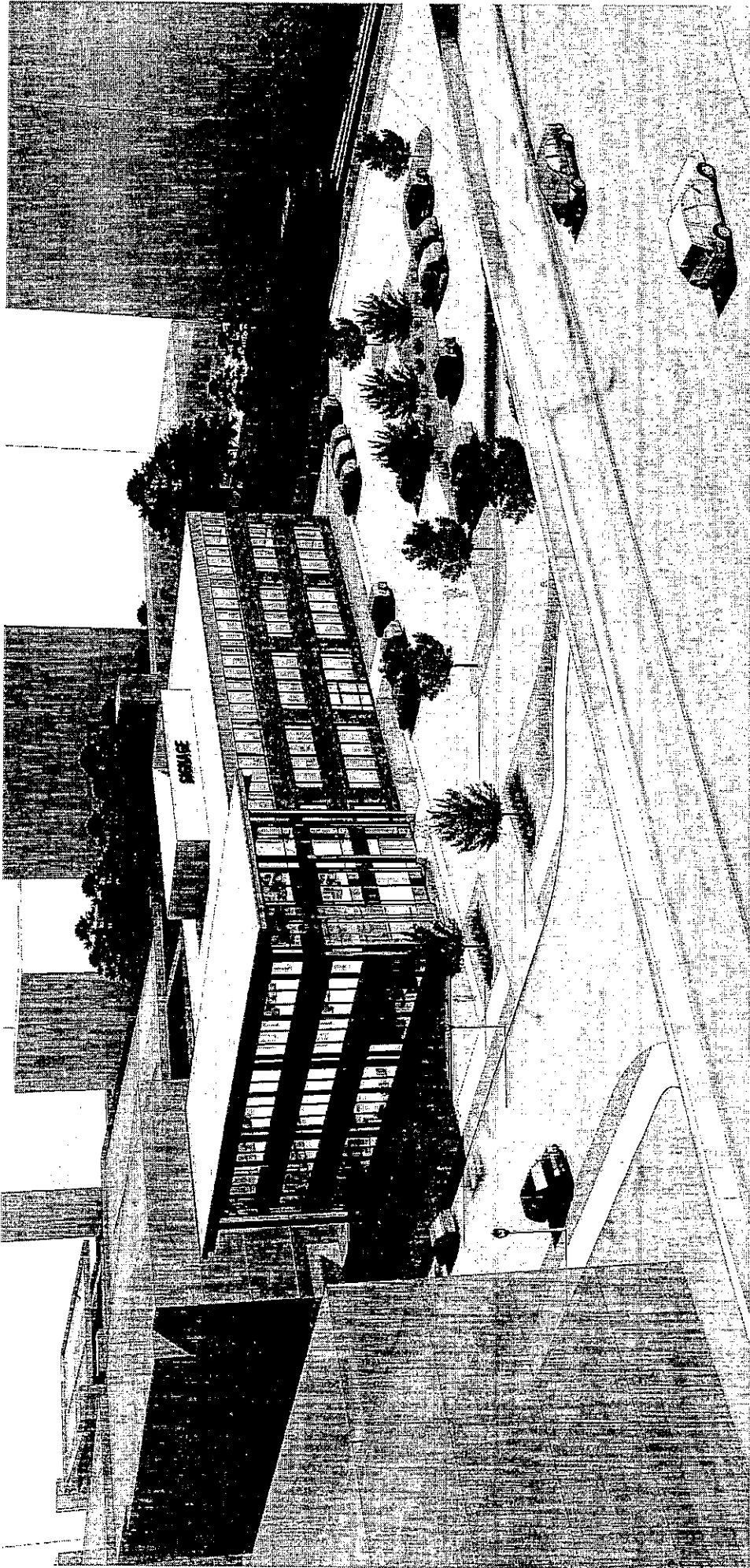
## **Exhibit H**

### Preliminary Plans and Specifications



1 Site Plan  
1" = 40'-0"





KLEIN DEVELOPMENT

Reed Street Yards Office Building

Aerial Rendering



eppstein uhlen : architects

3/4/15 © Eppstein Uhlen Architects, Inc. 2-14417

**Exhibit I**

Insurance Certificate



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
09/21/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh USA Inc. 411 E. Wisconsin Avenue Suite 1300 Milwaukee, WI 53202 Attn: Milwaukee.CertRequest@marsh.com   Fax 212-948-4348	<b>CONTACT NAME:</b> PHONE (A/C, No. Ext): E-MAIL ADDRESS:		<b>FAX (A/C, No):</b>
	<b>INSURER(S) AFFORDING COVERAGE</b>		
<b>INSURED</b> Rexnord Industries, LLC 4701 W Greenfield Ave Milwaukee, WI 53214	<b>INSURER A:</b> Hartford Fire Insurance Company		NAIC # 19682
	<b>INSURER B:</b> Ironshore Specialty Insurance Company		25445
	<b>INSURER C:</b> Trumbull Insurance Company		27120
	<b>INSURER D:</b> Twin City Fire Insurance Company		29459
	<b>INSURER E:</b>		
	<b>INSURER F:</b>		

**COVERAGES**                      **CERTIFICATE NUMBER:** CHI-006393948-02                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:		83 CSE S26304	03/31/2015	03/31/2016	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ SEE UMBRELLA \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		83 CSE S26302	03/31/2015	03/31/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$		001963801 See attached for SIR information	03/31/2015	03/31/2016	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 Prod-Comp/Op aggregate \$ 5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	83 WN S26300 (AOS) 83 WBR S26301 (WI)	03/31/2015 03/31/2015	03/31/2016 03/31/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Redevelopment Authority of the City of Milwaukee and the City of Milwaukee are included as additional insured where required by written contract with respect to General and Auto Liability. This insurance is primary and non-contributory over any existing insurance and limited to liability arising out of the operations of the named insured and where required by written contract. Waiver of subrogation is applicable where required by written contract.

**CERTIFICATE HOLDER**Redevelopment Authority of the  
City of Milwaukee  
and the City of Milwaukee  
809 North Broadway  
Milwaukee, WI 53202**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
of Marsh USA Inc.

Manashi Mukherjee

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AGENCY CUSTOMER ID: 12345

LOC #: Milwaukee



### ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Marsh USA Inc.		NAMED INSURED Rexnord Industries, LLC 4701 W Greenfield Ave Milwaukee, WI 53214	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Umbrella limits shown apply in excess of a self-insured retention for products/completed operations coverage subject to policy terms and conditions.