

FIRST AMENDMENT TO
COOPERATION, REIMBURSEMENT, AND REDEVELOPMENT AGREEMENT
HARLEY-DAVIDSON MUSEUM PROJECT

(April 7, 2011 version)

This First Amendment to Cooperation, Reimbursement, and Redevelopment Agreement (this "First Amendment") is made as of the ____ day of _____, 2011, by and among the CITY OF MILWAUKEE, a Wisconsin municipal corporation ("City"), the REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, a public body corporate and politic created under the Blight Elimination and Slum Clearance Law ("RACM"), and H-D MILWAUKEE, LLC, a Wisconsin limited liability company wholly owned by Harley-Davidson Motor Company, Inc. ("Developer");

WITNESSETH:

WHEREAS, the City, RACM and Developer are the parties to that certain Cooperation, Reimbursement and Development Agreement dated as of February 1, 2005 (the "Agreement"), for the Redevelopment Project described in the Agreement; and

WHEREAS, Phase II of the Redevelopment Project was Substantially Completed by Developer approximately 24 months earlier than the applicable timeframe contemplated by the Agreement; and

WHEREAS, due to circumstances beyond the control of any of the parties, the parties desire to amend the Agreement in certain respects;

NOW, THEREFORE, in consideration of the making of the Agreement, the performance to date by the parties of their respective obligations under the Agreement, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the City, RACM and Developer agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement. Except as set forth in this First Amendment, the terms, covenants, conditions and agreements of the Agreement shall remain unmodified and otherwise in full force and effect. In the event of any inconsistency between the terms of the Agreement and the terms of this First Amendment, the terms of this First Amendment shall control.

2. Continuing Obligations. Except as otherwise amended or modified by this First Amendment, all obligations and agreements of City, RACM, and Developer accruing or arising under the Agreement prior to the date of this First Amendment shall survive this First Amendment and shall remain in full force and effect.

3. Findings. City and RACM find and declare that the Redevelopment Project as completed by Developer, and the Agreement, as amended by this First Amendment, have implemented the provisions of, given effect to, and fulfilled the purposes of, the Blight Elimination and Slum Clearance Law, the Tax Increment Law, the Redevelopment Plan, and the TID Plan.

4. Amendment. The Agreement is amended and modified hereby to eliminate the obligation of Developer to commence or complete construction of Phase III of the Redevelopment Project. Without limiting the generality of the foregoing:

a. The second paragraph of Section 5 of the Agreement is amended to read as follows:

Redevelopment Project. Phase I of the Redevelopment Project shall be Substantially Completed within 24 months of the recording of the deed to Developer for the Traser Yards and the delivery of exclusive possession of the Traser Yards by City to Developer; and Phase II shall be substantially completed not later than the end of the 24th month following the issuance of an occupancy permit or permits for all (or substantially all) of Phase I.

b. All other references to Phase III of the Redevelopment Project in the Agreement (including, without limitation, the description of Phase III in Exhibit B to the Agreement, and all references to the additional square footage attributable to Phase III) are deleted and Developer shall have no further obligations with respect to the construction or completion of Phase III of the Redevelopment Project.

c. City and RACM hereby acknowledge and agree that this First Amendment and the elimination of the obligation of Developer to Substantially Complete Phase III pursuant to the Agreement does not constitute a Non-Completion Event (as defined in the Agreement). Accordingly, City and RACM acknowledge and agree that neither the City nor RACM has any remedies pursuant to Section 5 of the Agreement.

d. City and RACM each hereby acknowledge, agree, and certify that Phase I, Phase II, and the Redevelopment Project were Substantially Completed, within the applicable periods provided in the Agreement; that all work was completed in accordance with the plans and specifications for the Redevelopment Project; and that all building constructions and other physical improvements specified by Developer were Substantially Completed (and, for purposes of the Blight Elimination and Slum Clearance Law, were completed).

5. Grant. Developer hereby agrees to provide City with a grant in the amount of \$550,000 for redevelopment projects or other redevelopment activity to be undertaken by the City. The City shall deposit the proceeds from the grant in the City's Development Fund capital account.

6. Recording, and Further Instruments. A memorandum or confirmation of the matters set forth herein shall be executed by the parties and recorded with the Milwaukee County Register of Deeds. Each of the parties shall execute and deliver such further amendments, certifications, memoranda, and instruments, and take such further actions, as may be

reasonably necessary or requested to give further force or effect to or notice of the matters set forth herein.

7. Counterparts. This First Amendment may be signed or executed in any number of counterparts, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, each party has caused this First Amendment to be executed by its duly authorized officers, all as of the date of this First Amendment.

CITY OF MILWAUKEE

Tom Barrett
Mayor

Ronald D. Leonhardt
City Clerk

Countersigned:

W. Martin Morics
City Comptroller

REDEVELOPMENT AUTHORITY OF THE
CITY OF MILWAUKEE

By: _____
Lois A. Smith
Chair

Attest: _____
Rocky Marcoux
Executive Secretary-Secretary

H-D MILWAUKEE, LLC

By: _____

Name: _____

Title: _____

Approved as to content this ____ day of _____, 2011.

Assistant City Attorney

Approved as to form and execution this ____ day of _____, 2011.

Assistant City Attorney