

*Kenosha*



*County*

**COUNTY BOARD OF SUPERVISORS**

**NOTICE OF MEETING**

NOTE: UNDER THE KENOSHA COUNTY BOARD OF RULES OF PROCEDURE ANY REPORT, RESOLUTION, ORDINANCE OR MOTION APPEARING ON THIS AGENDA MAY BE AMENDED, WITHDRAWN, REMOVED FROM THE TABLE, RECONSIDERED OR RESCINDED IN WHOLE OR IN PART AT THIS OR AT FUTURE MEETINGS. NOTICE OF SUCH MOTIONS TO RECONSIDER OR RESCIND AT FUTURE MEETINGS SHALL BE GIVEN IN ACCORDANCE WITH SEC. 210(2) OF THE COUNTY BOARD RULES. FURTHERMORE, ANY MATTER DEEMED BY A MAJORITY OF THE BOARD TO BE GERMANE TO AN AGENDA ITEM MAY BE REFERRED TO THE PROPER COMMITTEE. ANY ITEM SCHEDULED FOR THE FIRST OF TWO READINGS IS SUBJECT TO A MOTION TO SUSPEND THE RULES IN ORDER TO PROCEED DIRECTLY TO DEBATE AND VOTE. ANY PERSON WHO DESIRES THE PRIVILEGE OF THE FLOOR PRIOR TO AN AGENDA ITEM BEING DISCUSSED SHOULD REQUEST A COUNTY BOARD SUPERVISOR TO CALL SUCH REQUEST TO THE ATTENTION OF THE BOARD CHAIRMAN.

**NOTICE IS HEREBY GIVEN** the **Regular County Board Meeting** of the Kenosha County Board of Supervisors will be held on **Tuesday, the 3rd day of December, 2019 at 7:30 P.M., in the County Board Room** located in the Administration Building. The following will be the agenda for said meeting:

- A. Call To Order By Chairman Esposito
- B. Pledge Of Allegiance
- C. Roll Call Of Supervisors
- D. Citizen Comments
- E. Announcements Of The Chairman
- F. Supervisor Reports
- G. COUNTY EXECUTIVE APPOINTMENTS
- H. NEW BUSINESS

Resolution - One Reading

51. From The Finance & Administration Committee A Resolution Regarding Transfer Of Tax Deed Land To City Of Kenosha And Approval Of Agreements With The City Of Kenosha And BEAR Development, LLC

Documents:

RES TRANSFER OF TAX DEED LAND.PDF  
AGREEMENT BETWEEN COUNTY CITY (002).PDF  
AGREEMENT BETWEEN COUNTY BEAR (002).PDF

I. CLAIMS

13. Roger Johnson - Reimbursement Of Legal Fees

Documents:

[GL-27-19 ROGER JOHNSON.PDF](#)

14. WE Energies - Equipment Damage

Documents:

[GL-28-19 WE ENERGIES.PDF](#)

J. Approval Of The November 19, 2019 County Board Meeting Minutes By Supervisor Kubicki

K. Adjourn

**Kenosha County  
Administrative Proposal Form**

**1. Proposal Overview**

Division: Finance and  
Administration

Department:

Proposal Summary (attach explanation and required documents):

Approve the transfer of 88 lots and one outlot in the former Brookstone Homes Development to the City of Kenosha in accord with separate agreements contractually binding the County, City and Bear. By agreement and MOU, Bear will be sold the property by the City and credit KHDS in a lease agreement which will reduce the County obligation to them in providing essential services. Attachments detail the agreement via contracts and MOU.

Dept./Division Head Signature: Patricia Merrill Date: 11/27/2019

**2. Department Head Review**

Comments:

Recommendation: Approval ☒ Non-Approval ☐

Department Head Signature: Patricia Merrill Date: 11/27/2019

**3. Finance Division Review**

Comments:

Recommendation: Approval ☒ Non-Approval ☐

Finance Signature: D.W. D Date: 11/27/19

**4. County Executive Review**

Comments:

Action: Approval ☒ Non-Approval ☐

Executive Signature: [Signature] Date: 11/29/19

# KENOSHA COUNTY BOARD OF SUPERVISORS

RESOLUTION NO. \_\_\_\_\_

<b>Subject: Transfer of Tax Deed Land to City of Kenosha and Approval of Agreements with the City of Kenosha And BEAR Development, LLC</b>	
<b>Original_x Corrected__ 2nd Correction__ Resubmitted__</b>	
<b>Date Submitted:</b>	<b>Date Resubmitted:</b>
<b>Submitted By:</b>	
<b>Fiscal Note Attached</b>	<b>Legal Note Attached</b>
<b>Prepared By:</b> Jennifer J. Kopp and John F. Moyer Corporation Counsel's Office	<b>Signature:</b>

WHEREAS numerous tax certificates have been issued on parcels enumerated by tax parcel numbers beginning with 07-222-25-360-001 on the attached Exhibit A (the "Property" also known as the "Brookstone Homes" lots) by the Kenosha County Treasurer for failure to pay taxes since 2010, and taxes are owed in the amount of \$113,967.84, with an estimated total tax interest amount due of \$44,331.81, total tax penalty of \$22,165.92; and there are special assessments owed on these parcels to the City of Kenosha of \$73,303.20, interest on these special assessments owed to the City of \$21,400.81 and special penalties on those assessments owed to the County of \$10,700.00 (total aggregate due to Kenosha County is \$272,825.75 and total aggregate due to the City of Kenosha is \$94,704.01)(all of these figures are given as amounts due if paid as of 1/31/2020); and

WHEREAS, pursuant to Wisconsin Statue § 75.69, a request has been made to the County to transfer the Property to the City of Kenosha to allow for the development of the Property, pursuant to the terms and conditions outlined in the County-City Agreement attached as Exhibit B; and

WHEREAS, in order to further the process of transfer of these properties and to expend the resources necessary to return them to use, the City has requested that all property taxes and those for 2019 to be billed in December, 2019 for these properties be forgiven; and

WHEREAS, BEAR Development, LLC, ("BEAR") has expressed an interest in purchasing, remediating, restoring and developing the Property from the City in a manner that would enhance the neighborhood, provide needed housing and increase the City and County's tax base; and

WHEREAS, BEAR is in negotiations with the City regarding the purchase of the Property and subsequent development of the Property, and

WHEREAS, these properties have long been delinquent and should be returned to the tax rolls and many benefits are derived from the return to lawful use of tax delinquent parcels; and

WHEREAS, BEAR currently has a lease agreement with Kenosha Human Development Services ("KHDS") and KHDS is contractually obligated to make lease agreements to BEAR consisting of base rent and additional improvement rent; and

WHEREAS, if BEAR purchases and develops the Property from the City, BEAR will reduce the leasehold and contractual expenses owed by KHDS to BEAR and this will provide a benefit to the public and the City and County of Kenosha, pursuant to the terms and conditions in the outlined County-Bear Agreement attached as Exhibit B; and

WHEREAS, considerable time and resources have already been expended in coordinating the taking and transfer of these properties.

**NOW THEREFORE BE IT RESOLVED**, that the County Board of Supervisors hereby approves the transfer of the Property, identified as Exhibit A, pursuant to the terms and conditions outlined in the Agreements attached as Exhibit B and Exhibit C.

**BE IT FURTHER RESOLVED**, by the Kenosha County Board of Supervisors, that the County-City Agreement and the County-BEAR Agreement is approved and the County Executive and/or his designee are authorized to execute these Agreements, along with any document necessary to carry out the intent of this resolution.

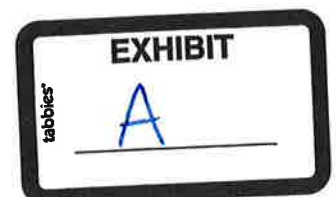
FINANCE/ADMINISTRATION COMMITTEE

	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Excused</u>
_____ Supervisor Terry Rose, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor Ronald J. Frederick, Vice Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor Jeffrey Gentz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor Edward Kubicki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor John Poole	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor John O'Day	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Supervisor Jeff Wamboldt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## County Parcels

### Tax Parcel Number:

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07-222-25-360-019  
07-222-25-360-018  
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07-222-25-360-109  
07-222-25-360-114

## AGREEMENT

By and Between

**The County of Kenosha, Wisconsin  
a Wisconsin Municipal Corporation**

And

**The City of Kenosha, Wisconsin  
a Wisconsin Municipal Corporation**

This Agreement ("Agreement") is made by and between the County of Kenosha, Wisconsin, a municipal corporation (the "County") and the City of Kenosha, Wisconsin, a municipal corporation (the "City") duly organized under the laws of the State of Wisconsin, and shall be effective upon approval and execution by the parties.

## WITNESSETH

WHEREAS, the County is the owner of eighty-eight (88) single family lots and Outlot 4, located in the City of Kenosha, County of Kenosha, State of Wisconsin, which is described on Exhibit A and located in the K.A.T. Subdivision (hereinafter referred to as the "Property");

WHEREAS, the real estate taxes and special assessments on the Property were not paid and the County lawfully acquired the Property by tax deed pursuant to Chapter 75 of the Wisconsin Statutes;

WHEREAS, redevelopment of the Property would be beneficial to the City and County by increasing the City's and County's tax base and providing a stimulus to the Kenosha area;

WHEREAS, BEAR Development, LLC, or its assigns ("BEAR") has expressed a desire to purchase the Property, remediate, restore and develop the Property in a manner which will enhance the neighborhood and provide needed housing which will benefit both the City and County; and

WHEREAS, Bear, the City and the County have mutually drafted a Memorandum of Understanding ("MOU") regarding the development of the Property and certain City lots;

WHEREAS, this MOU, which sets forth a framework of understanding, demonstrates the intent of the parties and is hereto attached as Exhibit B.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by and among the undersigned, as follows:

**1. Actions Required.** The County intends to transfer by quit-claim deed the Property to the City. This transfer of Property is contingent on the following events occurring before the transfer of the Property:

- a. The City and BEAR by their own negotiated and agreed terms, shall enter into a Purchase and Sale Agreement for the sale of the Property and the City Lots from the City to BEAR. This





Purchase and Sale Agreement shall be approved by the Common Council no later than January 7, 2020 and a copy shall be provided to the County upon request. The Purchase and Sale Agreement shall include terms consistent with the MOU.

- b. BEAR shall diligently pursue and work with the City on obtaining a number of developer entitlements, such as subdividing the parcel known as Outlot 1; rezoning of Parcel No. 07-222-25-327-001; the City and BEAR shall enter into a Development Agreement and a Development/TIF Agreement regarding the development of the Property and the City Lots. This TIF Agreement shall be approved by the Common Council no later than January 7, 2020 and a copy shall be provided to the County upon request. The Development Agreement shall be approved by the Common Council no later than October 31, 2020. The Development and TIF Agreement shall include terms consistent with the MOU.
- c. BEAR and the County entering into an agreement that BEAR or its affiliate, BREG6, LLC, grant an immediate reduction of \$1,238,600 towards the obligation owed by Kenosha Human Development Services to BEAR, BREG6, LLC, for certain leasehold improvements and other payments pursuant to a lease agreement dated March 18, 2019 (the "KHDS Obligation") upon transfer of ownership of the Property from the County to the City.
- d. Confirmation by BEAR that the contingencies in the Purchase and Sale Agreement between the City and BEAR have been satisfied.

In the event the above-contingencies and agreements are not completed by the deadlines set forth above, or the terms of the Purchase and Sale Agreement or the Development and TIF Agreements do not include terms consistent with the MOU, the County shall not have any obligation to transfer the Property to the City and this agreement shall be considered null and void.

**2. Conveyance to City.** The County shall, within thirty (30) business days of the above-referenced contingencies being completed, convey the Property to the City as permitted by Wisconsin Statute § 75.69 (2). The terms of this conveyance are as follows:

- a. The County shall convey to City title to the Property, by delivery of a fully executed and acknowledged Quit Claim Deed, in customary form reasonably acceptable to City and the County. The City agrees to accept title and ownership of the Property, in its current condition at the time of sale "as is and with all faults."
- b. City shall hold harmless and indemnify the County from any and all liability for any reason, known or unknown, related to the condition or status of the property, whether such liability or condition is known or unknown at the time of transfer of title. The City acknowledges that the County is not liable for any taxes or special assessments on the Property.
- c. The City and County shall cooperate in the execution and delivery of such documents necessary to allow City to convey the Property to BEAR. The County shall not be responsible for paying either the City or Bear for any costs or fees associated with the subsequent transfer of the Property from the City to Bear.

- d. The parties further agree that upon delivery of the Quit Claim Deeds, that the County shall not be responsible for any maintenance obligations or liabilities relating to the Property, including but not limited to any drainage concerns or facilities.

**3. Notice.** All notices and other communications required or permitted hereunder shall be in writing and delivered either by hand or by certified mail, return receipt requested, addressed to City or County, as the case may be, at the address therefor set forth below, or at such other address as either party shall hereafter designate by like notice. Notice shall be effective as of the date of delivery, if by hand, or mailing if by certified mail.

If to City, then to:

City Clerk/Treasurer  
Municipal Building, Room 105  
625 52nd Street  
Kenosha, WI 53140

With a copy to:

City Attorney  
Municipal Building, Room 201  
625 52nd Street  
Kenosha, WI 53140

If to County, then to:

County Clerk  
1010 56th Street  
Kenosha, WI 53140

With a copy to:

Corporation Counsel  
912 56th Street  
Kenosha, WI 53140

**4. Amendment.** Neither this Agreement nor any term or condition hereof may be modified or amended, except in writing, executed and delivered by the party against whom enforcement of such modification or amendment is sought.

**5. Wisconsin Law.** Wisconsin law shall apply to this Agreement and all disputes shall be adjudicated in Kenosha County Circuit Court.

**6. Force Majeure.** Neither party shall be liable for any failure of performance hereunder (excluding the failure to make payments when due) due to causes beyond its reasonable control and despite its reasonable efforts, including, without limitation, acts of God; fire; flood; strikes; lockouts; civil disturbance;

order of any government, court or regulatory body claiming jurisdiction; act of public enemy; war; riot; sabotage; blockage; embargo or material shortage; tornado or other natural disaster. In the case of the occurrence of an event of force majeure, the dates and schedules specified hereunder shall be suspended until such event can be remedied.

**7. Counterparts.** This Agreement may be executed simultaneously in 2 or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**8. Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

**9. Recording.** The parties shall not record this Agreement.

**10. Waiver.** No extension of time, forbearance, neglect or waiver on the part of a party with respect to any one or more of the covenants, terms or conditions of this Agreement shall be construed as a waiver of any of the other covenants, terms or conditions of this Agreement, or as an estoppel against the party, nor shall any extension of time, forbearance or waiver on the part of a party in any one or more instance or particular be construed to be a waiver or estoppel in respect to any other instance or particular covered by this Agreement.

**11. Representation of Authority.** Each of the undersigned hereby represents and warrants that: (a) such party has all requisite power and authority to execute this Agreement; (b) the execution and delivery of this Agreement by the undersigned, and the performance of its terms thereby have been duly and validly authorized and approved by all requisite action required by law; and (c) this Agreement constitutes the valid and binding agreement of the undersigned, enforceable against each of them in accordance with the terms of the Agreement.

**12. Construction.** This Agreement has been negotiated between the parties, and each party has participated in the drafting of this Agreement; consequently, the doctrine of construing an agreement against a draftsman shall not apply to this Agreement, and neither party has any rights under such doctrine.

**13. Effective Date.** This Agreement shall be in effect upon approval and execution by the parties. The Effective Date shall be the date of last execution.

*Signature pages follow*

IN WITNESS WHEREOF, the parties hereto have hereunto executed this AGREEMENT on the dates below given.

THE CITY OF KENOSHA, WISCONSIN,

A Wisconsin Municipal Corporation

BY: \_\_\_\_\_  
JOHN ANTARAMIAN, Mayor

BY: \_\_\_\_\_  
DEBRA SALAS, City Clerk/Treasurer

STATE OF WISCONSIN )  
                                  :SS.  
COUNTY OF KENOSHA )

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2019, JOHN ANTARAMIAN, Mayor, and DEBRA SALAS City Clerk/Treasurer for the CITY OF KENOSHA, WISCONSIN, a Wisconsin municipal corporation, to me known to be such persons who executed the foregoing instrument, and to me known to be such Mayor and City Clerk/Treasurer of said municipal corporation and acknowledged that they executed the foregoing instrument as such officers as the agreement of said corporation, by its authority.

\_\_\_\_\_  
Notary Public, Kenosha County, WI.  
My Commission expires/is: \_\_\_\_\_

THE COUNTY OF KENOSHA, WISCONSIN,  
A Wisconsin Municipal Corporation

BY: \_\_\_\_\_  
JIM KREUSER, County Executive

BY: \_\_\_\_\_  
MARY KUBICKI, County Clerk

STATE OF WISCONSIN )  
                                          :SS.  
COUNTY OF KENOSHA )

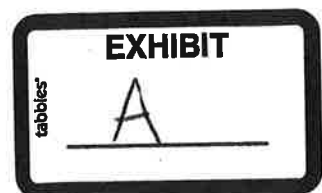
Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2019, JIM KREUSER, County Executive, and MARY KUBICKI, County Clerk for the COUNTY OF KENOSHA, WISCONSIN, a Wisconsin municipal corporation, to me known to be such persons who executed the foregoing instrument, and to me known to be such County Executive and County Clerk of said municipal corporation and acknowledged that they executed the foregoing instrument as such officers as the agreement of said corporation, by its authority.

\_\_\_\_\_  
Notary Public, Kenosha County, WI.  
My Commission expires/is: \_\_\_\_\_

## County Parcels

### Tax Parcel Number:

07-222-25-360-001  
07-222-25-360-019  
07-222-25-360-018  
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07-222-25-360-114

**MEMORANDUM OF UNDERSTANDING BETWEEN KENOSHA COUNTY, CITY OF KENOSHA AND BEAR  
DEVELOPMENT, LLC RELATING TO THE DEVELOPMENT OF THE K.A.T. SUBDIVISION AND CERTAIN  
ADJACENT LANDS**

This Memorandum is hereby entered into by and between Kenosha County (the "County"), the City of Kenosha (the "City") and Bear Development, LLC, or its assigns ("Bear").

WHEREAS, the County is the owner of 88 single family lots (the "County Lots") and Outlot 4 of the K.A.T. Subdivision in the City of Kenosha and as more particularly itemized on the attached Exhibit A.

WHEREAS, the City is the owner of 4 single family lots (the "City Lots") and Outlot 1 and 2 of the K.A.T. Subdivision in the City of Kenosha as more particularly itemized on the attached Exhibit B.

WHEREAS, the County Lots, the City Lots, Outlots 1, 2 and 4 shall hereinafter collectively be referred to as the "Property."

WHEREAS, Kenosha Human Development Services ("KHDS") contracts with the County to provide a number of services and the County pays KHDS for these services.

WHEREAS, the contractual fees paid by the County to KHDS factor in operating and leasing expenses of KHDS.

WHEREAS, the parties acknowledge that KHDS is obligated to an affiliate of Bear; BREG6, LLC for certain leasehold improvements and other payments pursuant to a Lease Agreement dated March 18, 2019 (the "KHDS Obligation").

WHEREAS, the grant and reduction given by BEAR to KHDS as a result of the County transferring the County Lots and Outlot 4 to the City's, shall directly reduce the KHDS Obligation and thereby reduce the operating expenses subsequently charged to the County by KHDS pursuant to KHDS's contractual relationship to BREG6, LLC.

WHEREAS, this Memorandum confirms the discussions between the County, the City and Bear regarding the transfer and development of the Property and the consideration to be provided by the parties to this Memorandum.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the parties hereto agree as follows:

1. The City and the County shall execute an agreement pursuant to Section 75.69(2), Wis. Stats, whereby the County shall transfer by quit-claim deed the County Lots and Outlot 4 to the City (hereinafter "the County-City Agreement"), subject to the following terms:
  - A. Upon execution of the County-City Agreement and the delivery of the quit claim deed referenced in Section 1.B hereof, Bear shall grant and acknowledge in writing an immediate reduction of the KHDS obligation in the full amount of \$1,238,600.





- B. The delivery of the quit-claim deeds by the County to the City shall be contingent upon approval by the City Common Council of the Developer Entitlements (as hereinafter defined) and the execution of the Purchase and Sale Agreement between Bear and the City ("Purchase and Sale Agreement") as described in Section 2 hereof.
  - C. The delivery of the quit-claim deeds by the County to the City shall occur not less than 30 days following the satisfaction of the contingencies set forth in Section 1.B. hereof (the City Common Council's approval of the Developer Entitlements and the Purchase and Sale Agreement).
2. Upon approval by the County Board, Common Council and execution of the County-City Agreement referenced in Section 1 hereof, Bear (or an affiliate of Bear) and the City shall enter into a Purchase and Sale Agreement for the sale of the Property from the City to Bear, subject to the following terms:
- A. The Purchase Price to be paid by Bear to the City in the amount of \$336,400. (Note: Purchase price is based upon \$255,000 purchase price for the City Lots plus outstanding special assessments associated with the County Lots @ 88 lots x \$925 per lot = \$81,400).
  - B. The Purchase Price shall be evidenced by a promissory note issued by Bear to the City (the "City Note"). The City Note will be subject to the following terms:
    - The Note shall not accrue interest.
    - Payments shall be made on the Note as set forth in Section 5 hereof.
    - The term of the Note shall be Five Years. Any remaining unpaid balance shall be paid in full by Bear at the end of the term.
  - C. The purchase of the property by Bear from the City (the "Closing") shall be contingent upon the approval by the Common Council of the Developer Entitlements (as hereinafter defined).
  - D. The Closing shall occur not less than 30 days following the delivery of the quit-claim deeds by the County to the City. The County shall not be responsible for paying either the City or Bear any costs associated with this Closing.
3. Upon execution of this Memorandum, Bear shall diligently pursue and work with City Staff, the City Plan Commission, appropriate City Committees and the Common Council to obtain the required approval of the following items (hereinafter and previously referred to as the "Developer Entitlements"):
- A. The Purchase and Sale Agreement between the City and Bear referenced in Section 2 hereof.

- B. A Plat of Subdivision which subdivides Outlot 1 into 13 additional single-family residential lots.
- C. A petition to re-zone the land known as Parcel No. 07-222-25-327-001 (the "Multi-family Parcel") owned by Bear's affiliate.
- D. A Development Agreement for the Property, which includes provisions that (a) all infrastructure including stormwater detention/retention facilities required by the City and the City of Kenosha Water Utility be completed and accepted within five (5) years (b) prohibiting the development of any City or County lot pursuant to any rent to own program and (c) any other agreements related to the Development Agreement including, but not limited to, Stormwater Management Facilities Maintenance Agreement(s).
- E. A Development/TIF Agreement for the Property containing the following terms:
- A 100% developer funded TIF to partially fund the eligible project costs needed to develop the Property.
  - Bear shall timely pay any and all permit and impact fees to the City in accordance with applicable ordinances associated with the development of the Property.
  - The extension of TID #10 through 2035 with the final TIF payment to be made to Bear in 2036.
  - The City shall, as a development incentive, and to reimburse Bear for certain project costs, issue a revenue bond (the "Bond") to Bear, in a form acceptable to Bear and the City in an amount not to exceed \$5,350,000. Until the expiration of TID #10, the City shall make annual payments on the Bond, in an amount equal to (but not in excess of) the aggregate amount of tax increment generated on the Property, or any parcel located within TID #10 as identified on the attached Exhibit C (the "Bear Parcels"), or any parcel within said TID #10 hereinafter acquired by Bear or its affiliates during the life of said TID #10. The City agrees that it will not apply any tax increment revenue generated by any of the foregoing parcels for any purpose prior to the payment of the Bond.
  - Bear may assign the TIF payments to be made under the Development/TIF Agreement, or portions thereof; to the Property, one or more of its affiliated developments within TID #10, or any combination thereof, in Bear's discretion.
4. In the event that the Developer Entitlements have not been obtained by Bear on or before October 31, 2020; the reduction by Bear of the KHDS obligation is not granted in accordance with paragraph 1.A., or any party breaches its obligations under this Agreement, the County-City Agreement and the Purchase and Sale Agreement set forth in Sections 1 and 2 hereof

shall be null and void and no obligation or liability whatsoever is owed to or by any party hereto nor shall any party be entitled to make any claim for damages or expenses associated with this Memorandum. The parties hereto expressly agree and understand this Memorandum is no more than agreement to agree.

5. At the time of the Closing of the sale of any lot by Bear to a buyer (other than an affiliate of Bear), and until such time as the City Note has been paid in full, Bear shall pay to the City the sum of \$15,000 for each such Lot sold, and such sum(s) shall be applied to the balance of the City Note.
6. Bear acknowledges that any and all private drainage facilities for the Property, including the retention pond located on Outlot 4, will be maintained by Bear, until such time as they are conveyed to a private Homeowner's association. Homeowner's association and Bear will enter into an agreement under the Declaration of Restrictions, Covenants and Easements guaranteeing that property taxes will be paid on the outlots for this development by the Homeowner's association or its successor owner. The maintenance and management of such facilities will be governed by an appropriate Declaration of Restrictions, Covenants and Easements to be drafted by Bear, acceptable to the City, and recorded against the title to the Property; with a copy being provided to the City and County. The parties acknowledge that upon delivery of the quit claim deed described under Section 1 hereof for the County Lots, that the County shall not be responsible for any maintenance obligations or liabilities attributable to any such drainage facilities or with respect to the County Lots.
7. No forbearance or waiver of any term of this Memorandum shall be construed as a waiver of any other term of this Memorandum or any other instance or particular covered by this Memorandum.
8. This Memorandum was mutually drafted by the County, the City and Bear. Each of the undersigned hereby represent and warrant that they have the requisite power and authority to execute this Memorandum and that the execution and delivery of this Memorandum by the undersigned has been approved by all action required by law.
9. The parties agree that this Memorandum shall be governed by the laws of the State of Wisconsin.
10. This Memorandum may be executed in two (2) or more counterparts, all of which shall be considered one and the same Memorandum and it shall become effective when one or more counterparts have been signed by each of the parties.
11. Any notice required to be given to any party to this Memorandum shall be in writing and delivered either by hand or certified mail, return receipt requested, to the addresses indicated below, or such address as the parties indicate in writing. Notice shall be effective as of the date of delivery, if by hand, or mailing, if by certified mail.

If to the City:	Office of the City Administrator Municipal Building, Room 300, 625 - 52 <sup>nd</sup> Street, Kenosha, Wisconsin 53140
With a copy to:	Office of the City Attorney Municipal Building, Room 201, 625 - 52 <sup>nd</sup> Street, Kenosha, Wisconsin 53140.
If to Kenosha County:	County Executive, 1010 56 <sup>th</sup> Street, Kenosha, Wisconsin 53140.
With a copy to:	Corporation Counsel's Office 912 56 <sup>th</sup> Street, LL13 Kenosha, WI 53140
If to Bear:	Bear Development, LLC Attn: Stephen R. Mills 4011 80 <sup>th</sup> Street Kenosha, WI 53142

*Signature page follow*

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

---

Jim Kreuser, County Executive

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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John M. Antaramian, Mayor

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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Debra Salas, City-Clerk Treasurer

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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Stephen R. Mills, CEO  
Bear Development, LLC

## Exhibit A

### County Parcels

#### Tax Parcel Number:

07-222-25-360-001  
07-222-25-360-019  
07-222-25-360-018  
07-222-25-360-017  
07-222-25-360-016  
07-222-25-360-015  
07-222-25-360-014  
07-222-25-360-013  
07-222-25-360-012  
07-222-25-360-011  
07-222-25-360-041  
07-222-25-360-042  
07-222-25-360-063  
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07-222-25-360-106  
07-222-25-360-107  
07-222-25-360-108  
07-222-25-360-109  
07-222-25-360-114

**Exhibit B**  
**City Parcels**

**Tax Parcel Number:**

07-222-25-360-020

07-222-25-360-040

07-222-25-360-090

07-222-25-360-064

07-222-25-360-111

07-222-25-360-112

07-222-25-360-113



**Exhibit C**  
**Bear Parcels**

**Tax Parcel Number:**

07-222-25-327-001

07-222-25-326-011

07-222-25-327-002

## **AGREEMENT**

### **By and Between**

**The County of Kenosha, Wisconsin  
a Wisconsin Municipal Corporation**

### **And**

**BEAR Development, LLC**

This Agreement ("Agreement") is made by and between BEAR Development, LLC and its assign, BREG6, LLC (hereinafter referred to as "BEAR") and the County of Kenosha, Wisconsin, a municipal corporation (the "County") and shall be effective upon approval and execution by the parties.

## **RECITALS**

WHEREAS, the County is statutorily obligated pursuant to Wisconsin Statutes, Chapter 59, 51 and 48, to among other things, develop, coordinate and administer a comprehensive network of services to children, youth, families, the elderly and individuals, including those striving to cope with developmental disabilities, mental illness, and alcohol and drug problems; and

WHEREAS, Kenosha Human Development Services ("KHDS") is a non-profit community agency that works with all people in the Kenosha area to lead healthy and productive lives; and

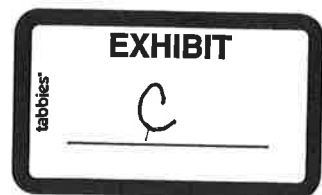
WHEREAS, the County contracts with KHDS to provide numerous services including, but not limited to, crisis intervention and mental health services; and

WHEREAS, the County pays KHDS for services and the contractual fees include operating and leasing expenses incurred by KHDS;

WHEREAS, KHDS has executed a twenty (20) year lease agreement with BEAR dated March 18, 2019, and a copy of this Sun Plaza Lease is attached hereto as Exhibit A;

WHEREAS, pursuant to the Sun Plaza Lease, KHDS is contractually obligated to make lease payments to BEAR and this consists of base rent and additional improvement rent (the "KHDS Obligation").

WHEREAS, if BEAR were to reduce the KHDS Obligation, it would lessen KHDS operating and leasing expenses and thereby reduce the operating expenses needed to service Kenosha residents and subsequently charged to the County by KHDS pursuant to the contractual relationship; and



WHEREAS, the County is the owner of eighty-eight (88) single family lots and Outlot 4, located in the City of Kenosha, County of Kenosha, State of Wisconsin, which is described on Exhibit B and located in the K.A.T. Subdivision (hereinafter referred to as the "Property");

WHEREAS, the County intends to transfer the Property to the City of Kenosha (the "City") and the City and BEAR intend to enter into a development agreement for BEAR to subsequently purchase the Property and remediate, restore and develop the Property in a manner which will enhance the neighborhood and provide needed housing which will benefit both the City and County; and

WHEREAS, the City, the County and BEAR have mutually drafted a Memorandum of Understanding ("MOU") regarding the transfer and sale development of the Property, which sets forth a framework of understanding and involves a reduction of KHDS obligation, and is hereto attached as Exhibit C.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by and among the undersigned, as follows:

:

**1. Agreement.** The County and BEAR agree to the following:

- a. The County and the City shall execute an agreement pursuant to Wis. Stat. § 75.69 (2), whereby the County shall transfer by quit-claim deed the Property to the City (the "County-City Agreement").
- b. BEAR and the County acknowledge that the execution of this County-City Agreement is contingent on BEAR and the City executing a separate Purchase Agreement and Tax Incremental Financing ("TIF" Agreement) by January 7, 2020 and BEAR and the City executing a Development Agreement by October 31, 2020.
- c. After execution of County-City Agreement and transfer of the quit-claim deeds for the Property to the City, the City shall transfer ownership of the Property to BEAR pursuant to the terms of the Purchase Agreement, negotiated and executed by the City and BEAR.
- d. In consideration of the Property being transferred from the City to BEAR, BEAR agrees to grant and acknowledge in writing an immediate reduction of the KHDS obligation in the amount of \$1,238,600 at the time of transfer of the Property from the County to the City. The amount of \$1,238,600 is based on a projected purchase price of \$1,320,000 for the Property, minus special assessments currently levied and assessed against the Property by the City.

- e. BEAR acknowledges and agrees that it is not making any financial payments to the County in exchange for the City transferring the Property to BEAR. BEAR further agrees that the County is not a party to the Purchase Agreement between the City and BEAR, nor did the County participate in the negotiations or drafting of this Purchase Agreement. The County shall not be liable for any fees or costs involved with the Purchase Agreement, Development Agreement or subsequent transfer of the Property from the City to BEAR. Further, if the City fails to transfer the Property to BEAR, BEAR's sole remedy should be against the City and it should not invalidate or affect the credit BEAR issues to KHDS.
2. **Reliance and Remedy for Breach.** If BEAR fails to grant the credit immediately upon transfer of the Property from the County to the City, BEAR understands and agrees that that this will be a breach of the Agreement and the County, or its affiliates, shall be entitled to monetary damages in the amount of \$1,238,600 from BEAR, which amount in its entirety shall be used by the County to reduce any KHDS obligation due by the County, in addition to any remedy available at law. BEAR understands and agrees that the County is relying on BEAR's representations that this credit will be issued to KHDS and it will be to the County's detriment if this does not occur as contemplated in this Agreement.
3. **Good Faith and Fair Dealings.** BEAR expressly agrees that the reduction of KHDS obligation in the amount of \$1,238,600 is essential to this Agreement and BEAR agrees not to inflate or modify the KHDS obligation to negate this reduction or reduce the benefit KHDS is receiving as a result of this transaction.
4. **Future Maintenance and Use of the Property.** Once BEAR owns the Property, BEAR acknowledges that any and all private drainage facilities for the Property, including the retention pond located on Outlot 4, will be maintained by Bear, until such time as they are conveyed to a private Homeowner's association. Homeowner's association and Bear will enter into an agreement under the Declaration of Restrictions, Covenants and Easements guaranteeing that property taxes will be paid on the outlots for this development by the Homeowner's association or its successor owner. The maintenance and management of such facilities will be governed by an appropriate Declaration of Restrictions, Covenants and Easements to be drafted by Bear and recorded against the title to the Property; with a copy being provided to the City and County. The parties acknowledge that the County shall not be responsible for any maintenance obligations or liabilities attributable to any such drainage facilities or with respect to the Property, upon transfer from County ownership.
5. **Indemnity and Hold Harmless.** BEAR agrees to agrees to indemnify, hold harmless and defend the County, its officers, agents and employees from any and all liability including claims, demands, losses, costs, damages and expenses of every kind and

description, and/or damage to persons or property arising out of, or in connection with, or occurring during the course of this Agreement or arising out of the subsequent use or development of the Property.

6. **Term.** The terms of this Agreement shall remain in effect until November 1, 2020, unless mutually modified by the parties. If the Property has not been transferred to the City and/or BEAR by this date, or the credit has not been issued by BEAR to KHDS, the County shall have right to terminate this Agreement.
7. **Independent parties; no discrimination.** This Agreement does not form a partnership or joint venture between the parties. The County and BEAR are separate legal entities and shall remain so. This Agreement does not give any rights or benefits to any third parties and shall be enforced only by the parties who are signatories herein.
8. **Notice.** Any notice required to be given to any party to this Agreement shall be in writing and delivered either by hand or certified mail, return receipt requested, to the addresses indicated below, or such address as the parties indicate in writing. Notice shall be effective as of the date of delivery, if by hand, or mailing, if by certified mail.

If to Kenosha County:

County Executive,  
1010 56<sup>th</sup> Street,  
Kenosha, Wisconsin 53140.

With a copy to:

Corporation Counsel's Office  
912 56<sup>th</sup> Street, LL13  
Kenosha, WI 53140

If to Bear:

Bear Development, LLC  
Attn: Stephen R. Mills  
4011 80<sup>th</sup> Street  
Kenosha, WI 53142

9. **Amendment.** Neither this Agreement nor any term or condition hereof may be modified or amended, except in writing, executed and delivered by the party against whom enforcement of such modification or amendment is sought.
10. **Wisconsin Law and Severability.** Wisconsin law shall apply to this Agreement and all disputes shall be adjudicated in Kenosha County Circuit Court. Furthermore, if any provision of this Agreement is held to be unenforceable or invalid for any reason, the remaining provisions will continue in full force and effect and with such unenforceable or invalid provision to be changed and interpreted to best accomplish its original intent and objectives.

11. **Force Majeure.** Neither party shall be liable for any failure of performance hereunder (excluding the failure to make payments when due) due to causes beyond its reasonable control and despite its reasonable efforts, including, without limitation, acts of God; fire; flood; strikes; lockouts; civil disturbance; order of any government, court or regulatory body claiming jurisdiction; act of public enemy; war; riot; sabotage; blockage; embargo or material shortage; tornado or other natural disaster. In the case of the occurrence of an event of force majeure, the dates and schedules specified hereunder shall be suspended until such event can be remedied.
12. **Counterparts.** This Agreement may be executed simultaneously in 2 or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
13. **Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
14. **Waiver.** No extension of time, forbearance, neglect or waiver on the part of a party with respect to any one or more of the covenants, terms or conditions of this Agreement shall be construed as a waiver of any of the other covenants, terms or conditions of this Agreement, or as an estoppel against the party, nor shall any extension of time, forbearance or waiver on the part of a party in any one or more instance or particular be construed to be a waiver or estoppel in respect to any other instance or particular covered by this Agreement.
15. **Representation of Authority.** Each of the undersigned hereby represents and warrants that: (a) such party has all requisite power and authority to execute this Agreement; (b) the execution and delivery of this Agreement by the undersigned, and the performance of its terms thereby have been duly and validly authorized and approved by all requisite action required by law; and (c) this Agreement constitutes the valid and binding agreement of the undersigned, enforceable against each of them in accordance with the terms of the Agreement.
16. **Construction.** This Agreement has been negotiated between the parties, and each party has participated in the drafting of this Agreement; consequently, the doctrine of construing an agreement against a draftsman shall not apply to this Agreement, and neither party has any rights under such doctrine.
17. **Effective Date.** This Agreement shall be in effect upon approval and execution by the parties. The Effective Date shall be the date of last execution.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

---

Jim Kreuser, County Executive

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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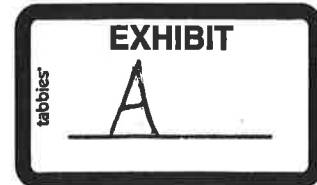
Stephen R. Mills, CEO  
Bear Development, LLC

SUN PLAZA  
LEASE

In consideration of the mutual promises and covenants contained in this Lease, Lessor and Lessee agree as follows:

1. Fundamental Lease Provisions, Definitions and Exhibits:

"LESSOR":	BREG6, LLC, or its assigns
"LESSOR'S ADDRESS FOR NOTICE":	4015 - 80 <sup>th</sup> Street, Kenosha, WI 53142 Attention: Stephen R. Mills
"MANAGEMENT AGENT":	Bear Property Management, Inc. 4015 - 80 <sup>th</sup> Street, Kenosha, WI 53142 Phone: (262)697-9616
"LESSEE":	Kenosha Human Development Services, Inc.
"LESSEE'S ADDRESS FOR NOTICE":	3424 and 3536 52 <sup>nd</sup> Street Kenosha, WI 53144
"LESSEE'S PHONE"	262-764-8555
"BUILDING":	The Building located at 3408 52 <sup>nd</sup> Street (consisting of approximately 161,816 sq. ft) which is part of the Project.
"PROJECT":	Sun Plaza, located at 3408 52 <sup>nd</sup> Street, being a commercial center development in which the Building is located.
"PREMISES":	3424 and 3536 52 <sup>nd</sup> Street, Kenosha, WI as depicted on Exhibit D attached hereto consisting of 55,743 Rentable Square Feet.
"LEASE TERM":	20 years
"COMMENCEMENT DATE":	The earlier of the completion of Lessor's Improvement Work and Lessee's occupancy of the Premises or February 1, 2020.





"TERMINATION DATE":	The last day of the 240 <sup>th</sup> full month following the Commencement Date.
"LEASE YEAR":	The twelve-month period beginning the Commencement Date.
"PERMITTED USE":	Office and resource facility for Kenosha Human Development Services, providing public, individual, and group care for anyone living in the greater Kenosha County area.
"BASE RENT":	See Attached Exhibit A
"ADDITIONAL IMPROVEMENT RENT":	An amount equal to Lessor's costs of completing the build out of the Lessor's Improvement Work, to Lessee's specifications, as more particularly described on the attached Exhibit E, together with the additional sum of One Hundred Thousand Dollars (\$100,000.00).
"ADDITIONAL CAM RENT":	Approximately \$6,292.27 per month 46,041 sq. ft. x (\$1.64 ÷ 12) based on actual expense incurred for the first three (3) Lease Years. Commencing with the fourth (4 <sup>th</sup> ) Lease Year, the calculation of Lessee's CAM shall be increased to include the additional 9,702 sq. ft associated with the Second Floor Warehouse space depicted on the attached Exhibit D.
"RENTABLE SQUARE FEET":	As to the Premises, the Building and the Project, the respective measurement of floor area as may from time to time be subject to lease by Lessee and all lessees of the Project, as determined by Lessor and applied on a consistent basis throughout the Project.
"LESSEE'S PERCENTAGE":	33.73 %, which is the percentage of Rentable Square Feet in the Project represented by the Premises.

"SECURITY DEPOSIT": None

"EXHIBITS": The following exhibits are attached to this Lease and incorporated herein by reference:  
Exhibit A -Rent Payment and Accrual Schedule  
Exhibit B - Rules and Regulations  
Exhibit C – WE Energies-3<sup>rd</sup> Party Notification Agreement  
Exhibit D - Plan of the Premises  
Exhibit E - Lessor's Improvement Work

2. Lease of Premises. Lessor hereby leases the Premises to Lessee, and Lessee hereby leases the Premises from Lessor, for the term and upon the conditions set forth in this Lease.

3. Condition of Premises. Except for the Lessor's Improvement Work which shall include any current existing code violations, fire code compliance or ADA requirements, as hereinafter defined, Lessee accepts the Building and Premises in its existing condition. Upon execution of this Lease, Lessee shall diligently pursue and submit for Lessor's review and approval; which shall not be unreasonably withheld, conditioned or delayed, Lessee's budget and final construction drawings for the improvements and build out of the Premises, including, but not limited to, the extension of any and all mechanical, electrical, plumbing (inclusive of sprinklers) and fire/life safety plans necessary to service the Premises. It is expressly understood and agreed that in approving Lessee's plans and specifications, Lessor shall have no liability whatsoever for any defects, errors or omissions in the documentation furnished to Lessor by Lessee or as a result of its approval. Upon Lessor's approval of such plans and specifications, such plans shall be initialed by the parties and affixed hereto as Exhibit E ("Lessor's Improvement Work"). Thereafter, Lessor shall enter into a Construction Contract with Lessor's related entity, Construction Management Associates, Inc. for the construction of said Lessor's Improvement Work on a cost-plus basis (defined as actual costs of construction together with General Conditions/Overhead/Contractor profit on a 6/2/6 basis). The costs incurred by Lessor under such construction contract, shall determine the amount of Additional Improvement Rent due and owing under Section I of this Lease. Lessee's representative shall have the right to inspect the premises during the construction period at reasonable times and upon reasonable notice.

Lessor shall give Lessee notice when the Lessor's Improvement Work has been substantially completed. Lessee shall then have seven (7) days to inspect the Premises. If, as a result of such inspection, Lessee discovers - exceptions or variations from Exhibit E of a nature commonly found on a "punch list" (as that term is used in the construction industry), Lessee shall notify Lessor of such exceptions in writing within such seven (7) day period. Lessor shall correct or remedy actual exceptions within a reasonable time. The existence of such punch list items shall not postpone the Commencement Date nor the obligation of Lessee to pay rent or other charges due under the Lease unless they are of such a nature to interfere with Lessee's occupying the premises. Lessee's occupancy of the Premises shall be conclusive evidence that Lessee has accepted the Lessor's Improvement Work, subject to any punch list items.

Lessor shall use its best efforts to substantially complete any Lessor's Improvement Work on or before the Commencement Date set forth in section 1 of this Lease. If Lessor, through no fault of Lessee, has not substantially completed the Lessor's Improvement Work by the Commencement Date, the Commencement Date shall be postponed until such work is substantially completed. If Lessor, through no fault of Lessee, has not substantially completed the Lessor's Improvement Work within one hundred eighty (180) days after the Commencement Date set forth in section 1 of this Lease, Lessee may terminate this Lease by giving written notice to Lessor within fifteen (15) days after the end of such 180-day period, whereupon this Lease shall terminate and Lessor shall return any amounts paid by Lessee under this Lease; provided, however, that Lessor's time for completing the Lessor's Improvement Work shall be extended for a time period equal to the duration of any delay caused by strike, labor dispute, or inability to obtain labor, materials, or equipment which is beyond the control of Lessor. Termination of this Lease shall be Lessee's sole remedy and Lessee shall have no other rights or claims hereunder at law or in equity. If the Lessor's Improvement Work is substantially completed and Lessee occupies the Premises prior to the scheduled Commencement Date, the Commencement Date shall be the date of occupancy.

In the event that Lessee fails to take possession of the Premises following execution of this Lease for any reason other than Lessor's failure to substantially complete the Lessor's Improvement Work, Lessee shall reimburse Lessor promptly upon demand for all costs incurred by Lessor in connection with entering into this Lease including, but not limited to, brokerage commissions, sums paid for the preparation of floor and/or space plans for the Premises, costs incurred in performing the Lessor's Improvement Work pursuant to Exhibit E, loss of rental income, attorney's fees and costs, and any other damage for breach of this Lease established by Lessor.

Lessor and Lessee acknowledge that Lessee's initial intended use of the Second Floor Warehouse space shall be for the storage of files, furniture and other donations and such space shall meet all existing codes so as to allow for occupancy of such Warehouse space at the completion of Lessor's Improvement Work. Any future improvements necessary to expand or modify the use of such Warehouse space, including but not limited to the installation of an elevator, shall be at Lessee's expense.

4. Common Areas. Lessee shall be entitled to 164 assigned parking spaces adjacent to the demised premises in the parking areas and non-exclusive use of, the balance of any common parking areas, driveways, sidewalks and additional common areas serving the Project, all as they may from time to time exist, but such use shall be in common with Lessor and all others to whom Lessor has or may hereafter grant rights to use the same, and such use shall be subject to such rules and regulations ("Rules and Regulations") as Lessor may from time to time adopt governing the same. Rules and Regulations now in force are attached hereto as Exhibit B and made a part hereof. Lessor shall at all times have full control, management and direction of the common areas, and shall maintain and repair same. Lessor reserves the right to reduce, increase, enclose, or otherwise change from time to time the configuration, size, number, location and nature of the common areas and facilities and the other tenancies in the Project, construct additional improvements, and to place signs

on the Building and the Project; except such shall not interfere with Lessee's access to or use of the premises.

5. Term of Lease.

5.1. Initial Term. The Lease Term shall commence on the Commencement Date and expire on midnight on the Termination Date unless sooner terminated as hereinafter provided.

6. Early Termination. Notwithstanding any provisions of this Lease as to the Lease Term, this lease shall not include any provision for early termination except if Lessee should cease its business during the term hereof; in which case, Lessee may terminate this lease after the fifth (5<sup>th</sup>) Lease Year, upon one hundred and eighty (180) days prior written notice and provided that there are no outstanding defaults in Lessee's performance at the time of such issuance or termination..

7. Holding Over. If Lessee shall retain possession of the Premises after termination or expiration of this Lease, then (a) for each day, or part thereof the Lessee so retains possession of the Premises without Lessor's consent, Lessee shall pay Lessor double the amount of the daily rate of Rent and other charges payable by Lessee as Rent during the calendar month immediately preceding such termination or expiration together with any damages sustained by Lessor as a result thereof. If such retention of the Premises is with the express or implied consent of Lessor, such tenancy shall be from month to month and, in no event, from year to year or any period longer than month to month at the rental rate in effect before the expiration of the Lease term or such rate agreed to by the parties.

8. Rent. Lessee covenants and agrees to pay to Lessor, in accordance with the Rent Payment Instructions set forth in section 1 of this Lease, or at such other place designated by Lessor, without prior demand and without deduction or set off, rent ("Rent") for the Premises consisting of the Base Rent and Additional Rent (which shall include "Additional CAM Rent" and "Additional Improvement Rent") as provided in sections 8.1, 8.2 and 8.3, and any other additional payments due under this Lease. Base Rent shall be payable in two fixed installments of Fixed Based Rent as itemized on the attached Exhibit A, together with a monthly installment ("Monthly Base Rent") as itemized on said Exhibit A. Notwithstanding any provision contained herein to the contrary, Lessee's obligation to pay Monthly Base Rent shall cease as such time as the two installments of Fixed Base Rent have been paid in full. The obligation of Lessee to pay Monthly Base Rent, Additional CAM Rent and Additional Improvement Rent shall begin on the sixtieth (60<sup>th</sup>) day following the Commencement Date and shall be due on the first day of each month thereafter during the term of this Lease. Monthly Base Rent, Additional CAM Rent, Additional Improvement Rent and any other payments for any partial month at the beginning or end of the term of this Lease shall be prorated based upon the actual number of days of such month included in the term of this Lease. Notwithstanding the foregoing, pursuant to Section 1 hereof, during the first three Lease Years, Lessee's Additional CAM Rent shall not include the square footage (9,702 sq. ft.) associated with the Second Floor Warehouse space depicted on the attached Exhibit D.

8.1 Operating Costs and Real Estate Taxes.

8.1.1. For any calendar year falling partly or wholly within the term of this Lease, Lessee shall pay to Lessor, as Additional CAM Rent, Lessee's Percentage of Operating Costs (as hereafter defined).

8.1.2. As used in this Lease, the term "Operating Costs" shall mean any and all expenses, costs and disbursements (other than Real Estate Taxes) of any kind and nature whatsoever incurred by Lessor in connection with the ownership, management, operation, maintenance and repair of the Premises, the Building, the Project and the parcel of land on which they are located, which Lessor shall pay or become obligated to pay during a year, regardless of when such Operating Costs were incurred. Operating Costs shall include, without limitation, fire insurance (including but not limited to fire and such other endorsements to a fire policy as Lessor may, in its discretion, determine to be desirable); public liability insurance; water, sewer, electric and gas charges for common areas; repairs and maintenance of the Project, including costs of materials and supplies used in connection therewith; costs incurred in connection with the operation, inspection and servicing (including outside maintenance contracts) of electrical, plumbing and mechanical equipment for common areas, and the cost of materials and supplies in connection therewith; repairs, resurfacing and restriping of the driveways and parking areas; the cost of snow plowing, snow and ice removal, landscaping and lawn mowing; property management fees (for which Lessee's proportionate share shall not exceed \$0.27 per rentable square foot); repainting and cleaning of all common areas; and other costs necessary in Lessor's reasonable judgment for the maintenance of the common areas, the Building and the Project in a good and attractive condition. Operating Costs shall not include the following:

- a. costs of alterations of Lessee's premises;
- b. depreciation;
- c. interest and principal payments on mortgages, and other debt costs or ground lease payments;
- d. the portion of any cost or expenditure (or portion thereof) for which Lessor is reimbursed, whether by insurance proceeds or otherwise; and
- e. the cost of any service furnished to any other occupant of the Project which Lessor does not provide to Lessee hereunder.

Notwithstanding anything contained herein to the contrary, the reasonable annual amortization, with interest, of any capital improvements made after the Lease Commencement Date which are intended to reduce Operating Costs, or which are

required under any governmental laws, regulations, or ordinances which were not applicable to the Project at the time it was constructed, shall be included in Operating Costs.

Lessor reserves the right to separately meter at Landlords sole expense any rentable area of the Project for heating, ventilating and air conditioning ("HVAC") and for water and sewer services. Notwithstanding anything in this section 8.1.2 to the contrary, if any rentable area of the Project is separately metered for such services, then (i) the Lessee in that space shall contract with and pay the public utility or utilities directly for the measured consumption of services for that space, (ii) the charges for the remainder of the Project shall be included in the calculation of Operating Costs only for the other lessees (the "Nonmetered Lessees"), and (iii) any costs charged to the Nonmetered Lessees shall be allocated in the proportion that the Lessee's Percentage for each Nonmetered Lessee bears to the Total Lessee's Percentage for all Nonmetered Lessees.

8.1.3. For any calendar year falling partly or wholly within the term of this Lease, Lessor shall be responsible for the payment of Lessee's Percentage of Real Estate Taxes (as hereafter defined).

8.1.4. As used in this Lease, the term "Real Estate Taxes" shall mean:

- a. any and all taxes, charges and assessments (general or special, ordinary or extraordinary) levied with respect to the Building, the parcel of land on which it is located, the Project or the land on which the Building or Project is located;
- b. any taxes levied or assessed in addition to or in lieu of, in whole or in part, such taxes and assessments;
- c. costs and expenses incurred by Lessor in connection with the attempt to reduce any of the foregoing, whether by negotiation or contest.

8.1.5. By April 15 of each year during the term of this Lease, or as soon thereafter as practicable, Lessor shall deliver to Lessee a written statement ("Statement") setting forth the total amount of Operating Costs for the preceding year and the Lessee's Percentage thereof. If Lessee's Percentage of Operating Costs for such year exceed the estimated Additional Rent paid by Lessee pursuant to this section 8.1, Lessee shall pay the amount of such excess to Lessor, as Additional Rent, within thirty (30) days of receipt of such Statement by Lessee. If such Statement shows an amount due from Lessee that is less than the payments previously paid by Lessee, the amount of such overpayment by Lessee shall be credited by Lessor to the next accruing Additional CAM Rent payable by Lessee.

8.1.6. Lessee or its representatives shall have the right to examine Lessor's books and records of Operating Expenses during normal business hours within thirty (30) days following the furnishing of the Statement to Lessee. Unless Lessee takes written exception to any item within forty-five (45) days following the furnishing of the Statement to Lessee (which item shall be paid in any event), such Statement shall be considered as final and accepted by Lessee. Should Lessee's investigation of the Operating Expenses show that Lessee has been overbilled by more than five (5%) percent then Lessor shall pay all costs and expenses of Lessee's investigation and all overbilling shall be promptly repaid to Lessee.

8.1.7. For the years in which this Lease commences and terminates, Lessee shall pay only that proportion of the amount otherwise payable under this section 8.1 which the number of days of the term of the Lease falling within such year bears to 365 days, based upon the actual amounts due for the year of commencement and the estimated amounts due pursuant to section 8.1.5 for the year of termination.

8.2. Additional Improvement Rent. Lessee shall pay to Lessor additional improvement rent in an amount as set forth in section I of this Lease Agreement.

8.3. Additional Rent. Lessee shall pay, as Additional Rent, all sums of money or charges required to be paid by Lessee under this Lease. If such amounts and charges are not paid at the time provided in this Lease, they shall be collectable as Additional Rent with the next installment of Rent thereafter becoming due, but nothing contained herein shall be deemed to limit any other remedy of Lessor.

9. Security Deposit. N/A.

10. Use. The Premises shall be used and occupied for the Permitted Use only.

10.1. Nonrepresentation of Lessor. Lessee acknowledges that Lessor has made no representations or warranties as to the suitability of the demised premises for the conduct of Lessee's business, other than its warranty that the intended use is consistent with permitted uses and zoning for the Premises.

10.2. Lessor's Permission for Additional Use. The Premises may not be used for any purpose, except as found above, without Lessor's prior, express and written consent, which shall not be unreasonably delayed or withheld.

10.3. Interference with Tenant's Rights. Lessee shall not do or permit anything to be done in or about the Leased Premises that will obstruct or interfere with the rights of other Project tenants, or injure, or interfere with their use of the common areas, or allow the Premises to be used for any immoral or unlawful purpose; nor shall Lessee cause, maintain, or permit any nuisance in, on, or about the Premises or common areas.

11. Warranties and Representations of Lessor. The Lessor provides the following warranties and makes the following representations:

11.01 Size The total square feet rented herein is at a minimum 55,000 square feet.

11.02. Violation of other Leases. Lessee's disclosed use of the premises does not violate the terms of any other tenant's lease in the Shopping Center

11.03. Warranty of Lessor's Improvement Work. Lessor warrants all of Lessor's Improvement Work for a period of one (1) year from the date of Occupancy by Lessee.

11.04. Environmental. Lessor has no actual knowledge or notice of any environmental condition affecting the Premises. Lessor shall indemnify, defend, and hold Lessee, harmless from and against any and all damages, including the cost of remediation, which result from Hazardous Materials which existed on the Premises prior to Lessee's occupancy or which are caused by the negligence or willful misconduct of Lessor. Lessee shall have no obligation to remediate, clean up, monitor, abate, or to comply with any law regarding, or to reimburse, release, indemnify, or defend Lessor with regard to any such Hazardous Materials which existed on the Premises prior to Lessee's occupancy thereof.

11.1. Maintenance by Lessee. Lessee shall at all times keep and maintain the Premises, including the interior of all ceilings, walls, partitions, glass, floor coverings, fixtures, equipment and appurtenances including, but not limited to the heating, ventilating and air conditioning systems, as well as electrical and all plumbing, installed by Lessor which provide service exclusively to the Premises, whether installed or owned by Lessor or Lessee in good order, condition, and repair (to the extent not covered by warranty) and shall do such periodic painting, decorating and cleaning of the Premises as may be reasonably required by Lessor. Lessee shall be responsible for the maintenance and upkeep of all doors and windows associated with the Leased Premises, inclusive of the exterior and interior of all such doors and windows. Lessee shall also reimburse Lessor for all repairs to the project, or premises which are made necessary as a result of any misuse or neglect by Lessee or any of its employees, contractors, agents, customers or guests.

11.2. Maintenance by Lessor. As part of Operating Expenses, Lessor shall keep and maintain the foundations, roof and structural portions of the walls of the building of which the Premises are a part in good condition and repair, except for repairs thereto as may be required by reason of the acts of Lessee, its employees, agents, invitees, licensees and contractors. Lessor shall also maintain as part of Operating Expenses all main electric lines, main gas lines and main water lines which supply the building in which the Premises are a part.

12. Utilities and Services.

12.1. Basic Services. Lessor shall:



12.1.1. Furnish electricity to the common areas.

12.1.2. Provide water service to the common areas.

12.2. Extraordinary Services. Should Lessee require special services from time to time, Lessor shall, upon reasonable advance notice by Lessee, furnish such additional service and Lessee agrees to pay to Lessor, within ten (10) days after being billed therefore, as additional rent, Lessor's cost of labor, materials supplied, and utilities consumed in providing such additional service plus five percent (5%) of such cost. The amount of such payment and expenses shall be excluded from the determination of Operating Expenses.

12.3. Lessor Not Liable. Lessor does not warrant that any of the services referred to in this Lease, or any other services which Lessor may supply, shall be free from interruption, curtailment, or suspension. Lessee acknowledges that any one or more of such services may be suspended by reason of accident or repairs, alterations or improvements, or by reason of causes beyond the reasonable control of Lessor. No interruption, curtailment, or suspension of service shall be deemed an eviction or disturbance of Lessee's use and possession of the Premises or any part thereof, or render Lessor liable to Lessee for damages, or relieve Lessee from the full and complete performance of all Lessee's obligations under this Lease, nor shall there be any abatement of Rent or other charges.

13. Lessee's Utility Service. Lessee agrees to contract with and pay the public utility directly for the measured consumption of electricity, gas, sewer and water for the Premises; each of which shall be separately metered upon completion of Lessor's Improvement Work. Lessor shall not be liable or responsible to Lessee for any loss, damage, or expense which Lessee may sustain or incur if the quantity or character of utility service is changed or is no longer available or is no longer suitable for Lessee's requirements. Lessee shall execute a copy of the WE Energies Notification Agreement in the form attached hereto as Exhibit C.

14. Lessee's Covenants. Lessee agrees that it shall, at its expense:

14.1. Rules and Regulations. Observe the Rules and Regulations and any amendments thereto as may be adopted by Lessor from time to time for the general safety, comfort and convenience of Lessor, tenants and occupants of the Project. Lessor shall not be responsible to Lessee for the noncompliance by any other tenant of the Project with any of the Rules and Regulations, and any failure by Lessor to enforce any Rules and Regulations against either Lessee or any other tenant in the Project shall not constitute a waiver hereof.

14.2. Lessor Access. Give Lessor, its employees, contractors, agents and any other person or persons authorized by Lessor, access to the Premises at all reasonable times without charge or diminution of rent, to enable them to examine the Premises and to make such repairs, alterations and improvements as Lessor may deem advisable, or to enter, view, show and inspect the Premises, provided it is done, if possible, in a manner so as not unduly to interfere with the conduct of Lessee's business.

14.3. Signage. Not place any signs or any other projection upon the Project or the Premises or any lettering on the windows or doors thereof except pursuant to Lessor's written consent which shall not be unreasonably delayed or withheld.

14.4. Compliance with Laws. Comply with all laws, regulations, ordinances and orders of federal, state, county and municipal authorities and with any direction made pursuant to law of any public officer, relating to Lessee's use of the Premises.

14.5. Hazardous Substances. Not permit the use, storage, or disposal of any Hazardous Substances at the Premises. "Hazardous Substances" means any hazardous waste, substance, or toxic materials regulated under any federal, state, or local environmental law or regulation including, without limitation, asbestos containing materials, PCBs and petroleum products. The foregoing shall not apply to items used in Lessee's business so long as said items are handled in accordance with all applicable rules and regulations, as well as industry standards.

14.6. Personal Property Taxes. Pay, before delinquency, any and all taxes levied or assessed and which become payable during the term hereof upon Lessee's fixtures, equipment, furniture and other personal property located in the Premises.

14.7. Surrender of Premises.

- a. On expiration or termination of the lease agreement, Lessee shall, at Lessee's expense, remove all of Lessee's personal property and equipment (including but not limited to equipment, removable paneling and partitions and other personal property) which has not become a fixture attached to the leased premises. In addition, at the option of Lessor, Lessee shall, at Lessee's expense, either (i) remove all trade fixtures and surrender the leased premises to Lessor in a standard "white box" condition or (ii) leave all trade fixtures and improvements in place and surrender the leased premises to Lessor. Notwithstanding any provision to the contrary, any such trade fixtures and/or improvements remaining on the premises upon termination of this lease, shall remain without compensation to Lessee. Further, any items of personal property or any items required to be removed from the premises pursuant to Lessor's exercise of the option contemplated hereunder shall be considered abandoned and Lessor may dispose of the same as it deems expedient, but Lessee shall promptly reimburse Lessor for any reasonable expenses incurred by Lessor in connection therewith (net of any salvage value received by Lessor) including, without limitation, the cost of removal thereof and of repairing any damage occasioned by such removal.

b. Notice of Vacate and Joint Inspection before Termination Date.

Lessee shall give written notice to Lessor at least sixty (60) days prior to vacating the Premises at the end of the Lease Term and shall arrange to meet with Lessor for a joint inspection of the Premises prior to vacating. In the event of Lessee's failure to give such notice or arrange such joint inspection, Lessor's inspection at or after Lessee's vacating the Premises shall be conclusively deemed correct for purposes of determining Lessee's responsibility for repairs and restoration.

15. Lessor's Covenant of Quiet Enjoyment. Lessor covenants that if Lessee shall pay the Rent and observe and perform all the terms, covenants and conditions of this Lease on its part to be observed and performed, Lessee may peaceably and quietly enjoy the Premises subject to the terms and conditions of this Lease.

16. Insurance.

16.1. Lessor's Obligation. During the term of this Lease, Lessor shall keep in full force and effect, as an Operating Expense, insurance against fire, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement insuring the Project in an amount of not less than one hundred percent (100%) of its replacement value.

16.2. Lessee's Obligation. During the term of this Lease, Lessee shall keep in full force and effect, at its expense: (a) a policy of general liability insurance covering the Premises, with a combined single limit of not less than \$1 million (or such higher amount as Lessor may from time to time require of all tenants); and (b) insurance against fire, vandalism, malicious mischief, and such other perils as are from time to time included in a standard extended coverage endorsement, insuring Lessee's fixtures, equipment, furniture and all other items of personal property of Lessee located on or within the Premises in an amount equal to not less than their full replacement value. All policies of insurance to be carried by Lessee shall: (a) name Lessor, Management Agent, Lessee and any other parties in interest designated by Lessor as additional insureds; (b) contain such endorsements as Lessor may from time to time reasonably require; and (c) shall be in form and substance reasonably satisfactory to Lessor. A copy of the paid up policies evidencing such insurance or certificates of insurers certifying to the issuance of such policies shall be delivered to Lessor prior to the commencement date of this Lease and upon renewals not less than thirty (30) days prior to the expiration of such coverage.

16.3. Waiver of Subrogation. Neither LESSOR nor LESSEE shall be liable to the other for any loss or damage to property or injury to or death of persons occurring on the premises or the adjoining properties, sidewalks, street or alleys, or in any manner growing out of or connected with LESSEE's use and occupation of said premises, or the condition

thereof, or of the sidewalks, streets, or alleys adjoining caused by the negligence or other fault of LESSOR or LESSEE or of their respective agents, employees, subtenants, licensees or assignees, to the extent that such loss or damage to property or injury to or death of persons is covered by or indemnified by proceeds received from insurance carried by the other party (regardless of whether such insurance is payable to or protects LESSOR or LESSEE or both) or for which such other party is otherwise reimbursed; and LESSOR and LESSEE each hereby respectively waives all right of recovery against the other, its agents, employees, subtenants, licensees and assignees, for any such loss or damage of property or injury to or death of persons to the extent the same is covered or indemnified by proceeds received from any such insurance, or for which reimbursement is otherwise received; provided, however, that the foregoing limitation on and waiver of liability shall only be effective or enforceable against either party hereto so long as the insurance policy or policies whereby such party is indemnified or covered, or from which such party receives any proceeds or other benefits or reimbursements, contain a specific clause or clauses whereby the insurer therein concurs in and assents to such limitation on and waiver of liability, and waives all right of subrogation to which such insurer would otherwise be entitled in the absence of such limitation and waiver.

Nothing in this section contained shall be construed to impose any other or greater liability upon either LESSOR or LESSEE than would have existed in the absence of this section.

17. Signage. The parties acknowledge that the Premises are part of an integrated and uniform commercial center and that control of exterior signs by Lessor on the Property is essential to maintain uniformity and aesthetic value in the Property. Lessee may not erect and maintain any signs on the exterior of the Building Premises without the advance, written consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed. Such signage must be in accordance with Lessor's specifications and contracted through a sign contractor approved in advance by Lessor. Installation of all door and window signage shall be subject to Lessor's advance, written approval and the Rules and Regulations for the Project. Upon termination of this Lease, Lessee, upon Lessor's request shall remove any such signage and restore and/or repair the façade of the building or both, as the case may be, to its original condition prior to installation of any such signage.

18. Alterations and Improvements. Lessee may not make any alterations or improvements ("Improvements") to the Premises without the prior written approval of Lessor which shall not be unreasonably delayed or withheld. Improvements by Lessee shall be made at Lessee's sole expense. Lessee shall obtain all necessary permits from governmental authorities and provide Lessor with copies thereof prior to commencement of construction. All Improvements shall be made in a good and workmanlike manner and in compliance with all governmental requirements. Lessee shall promptly repair any damage and perform any necessary cleanup resulting from any Improvements made by Lessee. Lessee agrees not to create or permit any lien against the premises or the Project by reason of any Improvement and Lessee agrees to hold Lessor harmless from and against any such lien claim. At its expense, Lessee shall cause to be discharged, within thirty (30) days after the filing thereof, any construction lien claim filed against the premises or the Project for

work claimed to have been done for, or materials claimed to have been furnished to, or on behalf of Lessee. Further, any alterations or improvements which require any penetration of the building's roof must be done in a manner which does not void any warranties provided to Lessor and therefore must be performed by a contractor specified by Lessor. Failure to do so will result in Lessor performing any alteration, repair or inspection deemed necessary by Lessor at Lessee's sole cost and expense.

19. Damage or Destruction. In case of damage to the Premises or the Building by fire, vandalism, malicious mischief, or any other casualty, Lessor shall (unless this Lease shall be terminated as hereinafter provided) diligently proceed to make all the repairs necessary to restore the Premises (excluding any property of Lessee or improvements installed by Lessee) and the Building to substantially the condition in which they existed immediately prior to such destruction or damage subject to delays which may arise by reason of adjustment of loss under insurance policies and delays beyond the reasonable control of Lessor. To the extent that the premises are rendered unrentable, the Rent shall proportionately abate unless such damage was caused by the negligent act or omission of Lessee, its employees, contractors, agents, customers, or guests, in which case, there shall be no abatement of Rent. If the Premises or the Building are damaged to such an extent that (a) Lessor, in its sole discretion, determines not to rebuild or repair or (b) Lessee's ability to conduct business in the Premises is materially impaired, then either Lessor or Lessee may terminate this Lease upon written notice thereof to the other within sixty (60) days after the date of such damage in which event this Lease shall terminate as of the date of such damage, the Rent shall be adjusted to the date of such damage, and Lessee shall thereupon promptly vacate the Premises. The term "materially impaired" shall be defined as impacting the Lessee's use of the premises by twenty-five (25) per cent or more and Lessor is unable or unwilling to rebuild or repair the Premises within 180 days from the date of such loss or casualty.

20. Eminent Domain.

20.1. In the event the entire Premises or Building are lawfully condemned or taken in any manner for any public or quasi-public use or purpose, or sold or conveyed in lieu of condemnation, this Lease shall terminate as of the date of such taking or conveyance and Lessee shall have no interest in any award resulting from such taking except for moving expenses and Improvements included in the award which shall have been installed and paid for by Lessee.

20.2. In the event only a portion of the Premises or Building is taken or conveyed, the Base Rent and Lessee's Percentage shall be equitably adjusted, unless Lessor or Lessee shall elect to terminate this Lease as of the date of such taking or conveyance, provided Lessee's right to terminate this Lease as a result of a partial taking shall only arise if such partial taking materially impairs the conduct of Lessee's business from the Premises. Lessee may terminate this Lease upon written notice thereof within thirty (30) days of such taking or conveyance. Lessor shall notify Lessee of such equitable adjustment or its election to terminate this Lease within sixty (60) days of such taking or conveyance.

21. Indemnification. Except as covered by insurance to be provided by Lessee, Lessee shall defend and indemnify Lessor and save it harmless from and against any and all liability, damages, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of Lessee or its employees, contractors, agents, customers, or guests in or about the Premises or the Project, or arising from any breach or default under this Lease by Lessee. Except as covered by insurance to be provided by Lessor, Lessor shall defend and indemnify Lessee and save it harmless from and against any and all liability, damages, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of Lessor or its employees, contractors, agents, customers, or guests in or about the Project, or arising from any breach or default under this Lease by Lessor.

22. Lessor's Liability. Lessor shall not be liable to Lessee except for liability, damages, costs, or expenses resulting from injuries to third parties caused solely by the gross negligence or willful misconduct of Lessor or its employees or agents, but only to the extent Lessee is not compensated therefore by insurance. In no event shall Lessor be liable to Lessee or anyone claiming under Lessee for any damage to the Premises or for any loss, damage, or injury to any property of Lessee located in the Premises caused by bursting, rupture, leakage, or overflow of any plumbing or other pipes (including without limitation, water, steam, or refrigerant lines), sprinklers, tanks, drains, drinking fountains, or wash stands, the failure of any systems or facilities in the Premises or the Building or other similar cause. In no event shall Lessor be liable for any loss or damage to person or property sustained by Lessee or anyone claiming under Lessee, which may be caused by the Premises or the Project or other improvements being out of repair, or by theft, or by vandalism, or by any act or neglect of any lessee or any other occupant of the Project, or of any other person, or by any other cause whatsoever.

Anything in this Lease to the contrary notwithstanding, the covenants, undertakings and agreements herein made on the part of Lessor are made and intended not as personal covenants, undertakings and agreements or for the purpose of binding Lessor personally or the assets of Lessor except Lessor's interest in the Premises and the Project, as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Lessor or its officers or their respective heirs, legal representatives, successors and assigns arising from this Lease or Lessor's obligations with respect to the Premises and the Project, or arising from any covenant, undertaking, or agreement of Lessor contained in this Lease.

23. Assignment and Subletting.

23.1. Assignment of Sublease. Lessee shall not voluntarily, involuntarily, or by operation of law assign, transfer, mortgage, or encumber this Lease, nor sublease the whole or any part of the Premises, without first obtaining Lessor's written consent, which shall not be unreasonably delayed or withheld. No such assignment or sublease shall relieve Lessee of any liability under this Lease. Consent to any such assignment or sublease shall not operate as a waiver of the necessity of a consent to any subsequent assignment or sublease, and the terms of such consent shall be binding upon any person holding by, under, or through Lessee.

23.2. Assignee Obligations. Any assignee or subtenant approved by Lessor shall assume all obligations of Lessee and shall be jointly and severally liable with Lessee for the payment of Base Rent and Additional Rent and performance of all terms, covenants and conditions of this Lease. In connection with any sublease or assignment, Lessee shall provide Lessor with copies of all assignments, subleases and assumption instruments.

23.3. Administrative Fee. Lessee shall pay Lessor, in advance, an administrative fee of Five Hundred Dollars (\$500.00) for processing any request for consent to assignment or sublease.

24. Default by Lessee and Rights of Lessor.

24.1. Defaults. If Lessee:

- a. fails to pay any installment or Rent or other charges due hereunder within fifteen (15) days after written notice from Lessor; or
- b. shall vacate, abandon, or fail to occupy for thirty (30) days all or a substantial portion of the Premises, or fail to continuously operate its business in the premises whether or not Lessee is in default of the rental payments due under this Lease; or
- c. fails to perform any other covenant, term, agreement, or condition of this Lease within thirty (30) days after written notice of such failure from Lessor; provided, however, that if the nature of Lessee's default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a breach of this Lease by Lessee if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion;

then, in either case, Lessor, in addition to all other rights and remedies available to Lessor at law or in equity or by other provisions hereof, may immediately re-enter the Premises and remove all persons and property, and, at Lessor's option, terminate this Lease or terminate Lessee's right to possession of the Premises without terminating this Lease. Notwithstanding the termination of this Lease, Lessor may either declare all rent due under this Lease for the balance of the term immediately due and payable, and Lessee shall pay the same to Lessor, together with all loss which Lessor may sustain from termination and re-entry, or relet any part of the Premises for reasonable rent and on reasonable terms, whereupon Lessee shall be obligated to pay Lessor as liquidated damages the difference between the rent provided for herein and that provided for in any Lease covering reletting, for the period which would otherwise have constituted the balance of this Lease, together with all costs and expenses for preparing the Premises for reletting. Actions to collect amounts due to Lessor may be brought without the necessity of waiting until expiration of the Lease. The Lessee will reimburse the Lessor for the costs of removing and storing Lessee's or other occupant's property and hold

Lessor harmless for any damage there from. Neither acceptance of Rent or other charges by Lessor, with or without knowledge of breach or default, nor failure of Lessor to take action on account of any breach or default hereof or to enforce its rights hereunder shall be deemed a waiver of any breach or default, and absent specific written notice or consent to the contrary, said breach or default shall be a continuing one.

24.2. Right of Lessor to Cure Defaults. If Lessee shall default in the observance or performance of any term or covenant of this Lease, or if Lessee shall fail to pay any sum of money, other than Base Rent and Additional Rent, required to be paid by Lessee hereunder, Lessor may, without waiving or releasing Lessee, remedy such default at the expense of Lessee, immediately and without notice in case of emergency, or in any other case only upon Lessee's failure to remedy such default within thirty (30) days after written notice to Lessee.

24.3. Unpaid Sums, Returned Checks and Late Charge. If any payment of Base Rent or Additional Rent is not paid within five (5) days of the date when due, Lessee shall pay a late charge equal to ten percent (10%) of the amount of such overdue payment per month or portion thereof as liquidated damages for Lessor's extra expense in handling such past due account. In the event any check issued by Lessee, given to Lessor in payment of any obligation due hereunder is returned by the bank for non-payment, Lessee agrees to pay an administrative fee to Lessor in the amount of \$50.00 per incident.

24.4. Bankruptcy and Insolvency. If, at the Lease Commencement Date or at any time during the term of this Lease, there shall be filed by or against Lessee in any court pursuant to any statute either of the United States or of any state, a petition in bankruptcy or insolvency or for liquidation, reorganization or involuntary dissolution or for the appointment of a receiver or trustee of all or a portion of Lessee's property, or if Lessee makes an assignment for the benefit of creditors or petitions for or enters into an arrangement with creditors, this Lease, at the option of Lessor, exercised within a reasonable time after notice of the happening of any one or more of such events, may be cancelled and terminated and, in which event, neither Lessee nor any person claiming through or under Lessee by virtue of any statute or of an order of any court, shall be entitled to possession or to remain in possession of the Premises, but shall forthwith quit and surrender the same, and Lessor, in addition to the other rights and remedies Lessor has by virtue of this Lease or any statute or rule of law, may retain as security for its damages any Base Rent, Additional rent, or monies received by Lessor from Lessee or others on behalf of Lessee.

24.5. Attorney's Fees. In the event Lessor makes any expenditure or incurs obligations for the payment of money in connection with any Lessee default, including but not limited to Lessor's actual attorney's fees, Lessee shall pay to Lessor any and all such sums paid or obligations incurred. In the event Lessee makes any expenditure or incurs obligation for payment of money in connection with and Lessor default, including but not limited to Lessee's actual attorney's fees, Lessor shall pay to Lessee all such sums paid or obligations incurred.



25. Sale or Mortgage of Lessor's Interest.

25.1. Conveyance of Lessor's Interest. Lessor may sell, assign, or otherwise transfer, in whole or in part, its interest in this Lease and its reversion hereunder. Lessor shall require the transferee to accept the interest transferred subject to this Lease. The transfer shall release Lessor from any further liability to Lessee hereunder and, after any such transfer, Lessee shall look solely to the transferee for the performance of the obligations of the party who from time to time is the Lessor under this Lease. If Lessor transfers to such a transferee any security deposit Lessor holds for performance of Lessee's obligations hereunder, Lessor shall have no further liability to Lessee concerning such security and Lessee shall henceforth look solely to the transferee.

25.2. Estoppel Certificate. Within ten (10) days after written request from Lessor, Lessee shall execute, acknowledge and deliver to Lessor an estoppel certificate in form and content acceptable to Lessor, which shall include at a minimum: (a) certification that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified, is in full force and effect), the dates to which rent and any other charges payable by Lessee hereunder are paid in advance, if any, and the amount of the Security Deposit; (b) acknowledgment that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder or specifying such defaults if any are claimed; and (c) in case of a transfer of Lessor's interest, an agreement to attorney to the transferee. Lessee's failure to deliver such estoppel certificate to Lessor within said 10-day period shall conclusively evidence Lessee's representation and agreement that: (i) this Lease is in full force and effect, without modification, except as Lessor may represent; (ii) there are no uncured defaults in Lessor's performance hereunder; and (iii) Lessee has not paid more than one month's rent in advance nor made a Security Deposit in excess of one month's rent.

26. Subordination. This Lease, and the term and estate hereby granted, and all of the rights of Lessee hereunder, are subject and subordinate the liens of any mortgage or mortgages now or hereafter in force against the Project, as well as to any and all zoning laws, ordinances and regulations, conditions and agreements affecting said real estate at any time, and Lessee shall execute such further instruments subordinating this Lease to the lien or liens of any such lease or mortgage as shall be requested by Lessor; provided, however, that this subordination and any such further instruments shall not, so long as Lessee is not in default in the performance of any of the terms, covenants and conditions of this Lease, terminate or modify this Lease or any of the rights of Lessee hereunder.

27. Miscellaneous Provisions.

27.1. No Accord and Satisfaction. No payment by Lessee or receipt by Lessor of a lesser amount than the Base Rent, Additional Rent and other charges stipulated in this Lease shall be deemed to be other than on account of the earliest stipulated Base Rent, Additional Rent, or other charges, nor shall any endorsement or statement on any check or any letter

- accompanying any check or payment as rent be deemed an accord and satisfaction, and Lessor shall accept such check or payment without prejudice to Lessor's right to recover the balance of such Base Rent, Additional Rent and other charges or pursue any other remedy in this Lease.

27.2. Non-Waiver. Waiver by Lessor of any breach of any term, covenant, or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant, or condition of this Lease.

27.3. Time of the Essence. Time is of the essence as to the payment of rent and the performance of all other obligations of Lessee under this Lease.

27.4. Entire Agreement. This Lease constitutes the entire agreement between the parties and no modification shall be binding unless in writing and signed by both parties.

27.5. Successors and Assigns. The rights and obligations of the parties hereto shall inure to the benefit of and be binding upon their heirs, executors, personal representatives, successors and assigns.

27.6. Notices. All notices under this Lease shall be deemed properly given or made if mailed by first-class mail, postage prepaid, or by personal delivery, to the Lessor's or Lessee's Address for Notice as set forth in section 1 of this Lease, or at such other address as either party may from time to time provide to the other by a written notice complying with this section. A notice that is mailed shall be effective upon deposit in the U.S. Mail.

27.7. Governing Law. It is agreed that this Lease shall be governed by, construed and enforced in accordance with the laws of the State of Wisconsin.

27.8. Lessee's Agreement to Defend. If Lessor is named as a defendant in any suit brought against Lessee in connection with or arising out of Lessee's occupancy of the Premises under this Lease, Lessee shall pay to Lessor Lessor's costs and expenses incurred in such suit and any appeal of the suit including reasonable attorney fees and costs, except where such suit relates to the negligent conduct of Lessor, its agents, representatives, or employees. If Lessee is named as a defendant in any suit brought against Lessor in connection with or arising out of Lessor's ownership or operation of the Project under this Lease, Lessor shall pay to Lessee Lessee's costs and expenses incurred in such suit and any appeal of the suit including reasonable attorney fees and costs, except where such suit relates to the negligent conduct of Lessee, its agents, representatives, or employees.

27.8 Severability. In the event that any term or provision of this Lease is found by a court of competent jurisdiction to be void, invalid or otherwise unenforceable, such interpretation shall have no effect on the remaining terms, conditions and provisions of this Lease which shall remain in full force and effect.

27.9. Paragraph Headings. The titles to the paragraphs of this Lease are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of this Lease.

27.10. Recording. Neither Lessor nor Lessee shall record this Lease nor a short form memorandum of this Agreement without the written consent of the other, which consent shall not be unreasonably withheld, conditioned, or delayed.

27.11. Restricted Uses. Lessor agrees that during the term of this Lease, Lessor shall not lease any other premises within the Building to any lessee whose principal use consists of any of the following:

- a. A business in direct competition with Lessee, including but not limited to psychotherapy clinics, retail pharmacy whose primary business is the sale of prescription medications, or other case management operations,
- b. Adult oriented uses including without limitations adult cabaret, adult movie theater, adult video rental, adult video store, or adult viewing facility,
- c. Pawn Shops,
- d. Psychic/tarot card reading facilities,
- e. Stand-alone liquor stores with or without drive through,
- f. Auto sales lot or other recreational auto sales,
- g. Bars or taverns (unless such use contains a restaurant component),
- h. Wrecking, junk, demolition or scrap yard uses, or

The foregoing restriction shall not apply to existing leases or tenants in effect as of the execution of this Lease.

27.12. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, each party to this Lease has caused it to be executed by one duly authorized, to be effective on the last date signed by a party hereto.

LESSOR: BREGG, LLC


Dated: 3/18/19



By: \_\_\_\_\_  
Stephen R. Mills, Authorized Member

LESSEE: Kenosha Human Development Services, Inc.

Dated: 3/18/19

By: 

Name: Lisa Haen

Title: Associate Director

**EXHIBIT A**

**RENT AND ACCRUAL SCHEDULE**

**Base Rent Fixed Installments:**

- |                                                          |                                                                                            |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------|
| 1. \$1,100,000.00                                        | Due upon Lease Execution                                                                   |
| 2. An amount equal to the<br>Additional Improvement Rent | Due on or before the end of the 24 <sup>th</sup> month<br>following the Commencement Date. |

**Monthly Base Rent Installment:**

A monthly sum equal to the Additional Improvement Rent, multiplied by an interest rate equal to eight and one half (8.5%) percent per annum, divided by twelve. By way of example, if the Additional Improvement Rent is equal to \$2,100,000.00 the Base Rent Monthly Installment shall be equal to \$14,875.00 per month ( $\$2,100,000 \times 8.5\% = \$178,500 / 12 = \$15,875.00$ ).

The Monthly Base Rent Installment shall be due and payable as provided in Section 8 of this Lease until such time as both the First and Second Fixed Installment of Base Rent have been paid (which Lessee may prepay at any time without penalty), at which time the obligation to pay the Monthly Base Rent shall cease.

## **EXHIBIT A-1**

### **Fixed Base Rent Accrual Schedule**

Fixed Base Rent income shall accrue to Lessor, for purposes of Section 467 of the Internal Revenue Code, according to the schedule affixed hereto as Exhibit A-1. Said schedule is attached by way of example assuming an Additional Improvement Rent Balance of \$2,100,000.00 and the Second Base Rent Fixed Installment paid in the third month of the second Lease Year. Lessor and Lessee shall execute an amendment to this Lease upon the determination of the amount of Additional Improvement Rent and the payment of the Second Base Rent Fixed Installment by Lessee, replacing the attached Exhibit A-1 with a schedule which applies such actual amounts to the methodology included on the attached Exhibit A-1.

Month	Year	For Interest Calc					467 Amortization Schedule			
		Balance Forward	Master Lease Pmt-Actual	Beginning Balance	Principal Reduction	Ending Balance	Beginning Balance	467 Rent	Interest	Ending Balance
0	0		1,100,000	1,100,000		1,100,000				3,200,000
1	1	1,100,000	-	1,100,000	(15,108)	1,084,892	3,200,000	(18,005)	2,897	3,184,892
2	1	1,084,892	-	1,084,892	(15,148)	1,069,745	3,184,892	(18,005)	2,857	3,169,744
3	1	1,069,745	-	1,069,745	(15,188)	1,054,557	3,169,744	(18,005)	2,817	3,154,556
4	1	1,054,557	-	1,054,557	(15,228)	1,039,329	3,154,556	(18,005)	2,777	3,139,328
5	1	1,039,329	-	1,039,329	(15,268)	1,024,062	3,139,328	(18,005)	2,737	3,124,060
6	1	1,024,062	-	1,024,062	(15,308)	1,008,754	3,124,060	(18,005)	2,697	3,108,752
7	1	1,008,754	-	1,008,754	(15,348)	993,406	3,108,752	(18,005)	2,656	3,093,404
8	1	993,406	-	993,406	(15,389)	978,017	3,093,404	(18,005)	2,616	3,078,015
9	1	978,017	-	978,017	(15,429)	962,588	3,078,015	(18,005)	2,575	3,062,586
10	1	962,588	-	962,588	(15,470)	947,119	3,062,586	(18,005)	2,535	3,047,116
11	1	947,119	-	947,119	(15,510)	931,608	3,047,116	(18,005)	2,494	3,031,606
12	1	931,608	-	931,608	(15,551)	916,057	3,031,606	(18,005)	2,453	3,016,055
13	2	916,057	-	916,057	(15,592)	900,465	3,016,055	(18,005)	2,412	3,000,463
14	2	900,465	-	900,465	(15,633)	884,831	3,000,463	(18,005)	2,371	2,984,830
15	2	884,831	2,100,000	2,984,831	(10,144)	2,974,687	2,984,830	(18,005)	7,860	2,974,686
16	2	2,974,687	-	2,974,687	(10,171)	2,964,516	2,974,686	(18,005)	7,833	2,964,515
17	2	2,964,516	-	2,964,516	(10,198)	2,954,318	2,964,515	(18,005)	7,807	2,954,317
18	2	2,954,318	-	2,954,318	(10,225)	2,944,093	2,954,317	(18,005)	7,780	2,944,092
19	2	2,944,093	-	2,944,093	(10,252)	2,933,841	2,944,092	(18,005)	7,753	2,933,840
20	2	2,933,841	-	2,933,841	(10,279)	2,923,562	2,933,840	(18,005)	7,726	2,923,561
21	2	2,923,562	-	2,923,562	(10,306)	2,913,257	2,923,561	(18,005)	7,699	2,913,255
22	2	2,913,257	-	2,913,257	(10,333)	2,902,924	2,913,255	(18,005)	7,672	2,902,922
23	2	2,902,924	-	2,902,924	(10,360)	2,892,563	2,902,922	(18,005)	7,644	2,892,562
24	2	2,892,563	-	2,892,563	(10,387)	2,882,176	2,892,562	(18,005)	7,617	2,882,175
25	3	2,882,176	-	2,882,176	(10,415)	2,871,761	2,882,175	(18,005)	7,590	2,871,760
26	3	2,871,761	-	2,871,761	(10,442)	2,861,319	2,871,760	(18,005)	7,562	2,861,318
27	3	2,861,319	-	2,861,319	(10,470)	2,850,849	2,861,318	(18,005)	7,535	2,850,848
28	3	2,850,849	-	2,850,849	(10,497)	2,840,352	2,850,848	(18,005)	7,507	2,840,351
29	3	2,840,352	-	2,840,352	(10,525)	2,829,827	2,840,351	(18,005)	7,480	2,829,826
30	3	2,829,827	-	2,829,827	(10,553)	2,819,274	2,829,826	(18,005)	7,452	2,819,273
31	3	2,819,274	-	2,819,274	(10,580)	2,808,694	2,819,273	(18,005)	7,424	2,808,693
32	3	2,808,694	-	2,808,694	(10,608)	2,798,086	2,808,693	(18,005)	7,396	2,798,085
33	3	2,798,086	-	2,798,086	(10,636)	2,787,450	2,798,085	(18,005)	7,368	2,787,449
34	3	2,787,450	-	2,787,450	(10,664)	2,776,785	2,787,449	(18,005)	7,340	2,776,785
35	3	2,776,785	-	2,776,785	(10,692)	2,766,093	2,776,785	(18,005)	7,312	2,766,093
36	3	2,766,093	-	2,766,093	(10,720)	2,755,372	2,766,093	(18,005)	7,284	2,755,373
37	4	2,755,372	-	2,755,372	(10,749)	2,744,624	2,755,373	(18,005)	7,256	2,744,624
38	4	2,744,624	-	2,744,624	(10,777)	2,733,847	2,744,624	(18,005)	7,228	2,733,847
39	4	2,733,847	-	2,733,847	(10,805)	2,723,041	2,733,847	(18,005)	7,199	2,723,042
40	4	2,723,041	-	2,723,041	(10,834)	2,712,208	2,723,042	(18,005)	7,171	2,712,208
41	4	2,712,208	-	2,712,208	(10,862)	2,701,345	2,712,208	(18,005)	7,142	2,701,346
42	4	2,701,345	-	2,701,345	(10,891)	2,690,454	2,701,346	(18,005)	7,114	2,690,455
43	4	2,690,454	-	2,690,454	(10,920)	2,679,535	2,690,455	(18,005)	7,085	2,679,535
44	4	2,679,535	-	2,679,535	(10,948)	2,668,586	2,679,535	(18,005)	7,056	2,668,587
45	4	2,668,586	-	2,668,586	(10,977)	2,657,609	2,668,587	(18,005)	7,027	2,657,610
46	4	2,657,609	-	2,657,609	(11,006)	2,646,603	2,657,610	(18,005)	6,998	2,646,604
47	4	2,646,603	-	2,646,603	(11,035)	2,635,568	2,646,604	(18,005)	6,969	2,635,569

48	4	2,635,568	-	2,635,568	(11,064)	2,624,503	2,635,569	(18,005)	6,940	2,624,505
49	5	2,624,503	-	2,624,503	(11,093)	2,613,410	2,624,505	(18,005)	6,911	2,613,412
50	5	2,613,410	-	2,613,410	(11,123)	2,602,288	2,613,412	(18,005)	6,882	2,602,289
51	5	2,602,288	-	2,602,288	(11,152)	2,591,136	2,602,289	(18,005)	6,853	2,591,137
52	5	2,591,136	-	2,591,136	(11,181)	2,579,954	2,591,137	(18,005)	6,823	2,579,956
53	5	2,579,954	-	2,579,954	(11,211)	2,568,744	2,579,956	(18,005)	6,794	2,568,745
54	5	2,568,744	-	2,568,744	(11,240)	2,557,504	2,568,745	(18,005)	6,764	2,557,505
55	5	2,557,504	-	2,557,504	(11,270)	2,546,234	2,557,505	(18,005)	6,735	2,546,235
56	5	2,546,234	-	2,546,234	(11,299)	2,534,934	2,546,235	(18,005)	6,705	2,534,936
57	5	2,534,934	-	2,534,934	(11,329)	2,523,605	2,534,936	(18,005)	6,675	2,523,607
58	5	2,523,605	-	2,523,605	(11,359)	2,512,246	2,523,607	(18,005)	6,645	2,512,248
59	5	2,512,246	-	2,512,246	(11,389)	2,500,857	2,512,248	(18,005)	6,616	2,500,859
60	5	2,500,857	-	2,500,857	(11,419)	2,489,438	2,500,859	(18,005)	6,586	2,489,440
61	6	2,489,438	-	2,489,438	(11,449)	2,477,989	2,489,440	(18,005)	6,556	2,477,991
62	6	2,477,989	-	2,477,989	(11,479)	2,466,510	2,477,991	(18,005)	6,525	2,466,512
63	6	2,466,510	-	2,466,510	(11,509)	2,455,001	2,466,512	(18,005)	6,495	2,455,003
64	6	2,455,001	-	2,455,001	(11,540)	2,443,461	2,455,003	(18,005)	6,465	2,443,463
65	6	2,443,461	-	2,443,461	(11,570)	2,431,891	2,443,463	(18,005)	6,434	2,431,893
66	6	2,431,891	-	2,431,891	(11,601)	2,420,291	2,431,893	(18,005)	6,404	2,420,292
67	6	2,420,291	-	2,420,291	(11,631)	2,408,659	2,420,292	(18,005)	6,373	2,408,661
68	6	2,408,659	-	2,408,659	(11,662)	2,396,998	2,408,661	(18,005)	6,343	2,396,999
69	6	2,396,998	-	2,396,998	(11,692)	2,385,305	2,396,999	(18,005)	6,312	2,385,307
70	6	2,385,305	-	2,385,305	(11,723)	2,373,582	2,385,307	(18,005)	6,281	2,373,584
71	6	2,373,582	-	2,373,582	(11,754)	2,361,828	2,373,584	(18,005)	6,250	2,361,830
72	6	2,361,828	-	2,361,828	(11,785)	2,350,043	2,361,830	(18,005)	6,219	2,350,045
73	7	2,350,043	-	2,350,043	(11,816)	2,338,227	2,350,045	(18,005)	6,188	2,338,229
74	7	2,338,227	-	2,338,227	(11,847)	2,326,380	2,338,229	(18,005)	6,157	2,326,382
75	7	2,326,380	-	2,326,380	(11,878)	2,314,501	2,326,382	(18,005)	6,126	2,314,504
76	7	2,314,501	-	2,314,501	(11,910)	2,302,592	2,314,504	(18,005)	6,095	2,302,594
77	7	2,302,592	-	2,302,592	(11,941)	2,290,651	2,302,594	(18,005)	6,063	2,290,653
78	7	2,290,651	-	2,290,651	(11,972)	2,278,678	2,290,653	(18,005)	6,032	2,278,681
79	7	2,278,678	-	2,278,678	(12,004)	2,266,674	2,278,681	(18,005)	6,001	2,266,677
80	7	2,266,674	-	2,266,674	(12,036)	2,254,639	2,266,677	(18,005)	5,969	2,254,641
81	7	2,254,639	-	2,254,639	(12,067)	2,242,571	2,254,641	(18,005)	5,937	2,242,574
82	7	2,242,571	-	2,242,571	(12,099)	2,230,472	2,242,574	(18,005)	5,905	2,230,475
83	7	2,230,472	-	2,230,472	(12,131)	2,218,341	2,230,475	(18,005)	5,874	2,218,344
84	7	2,218,341	-	2,218,341	(12,163)	2,206,178	2,218,344	(18,005)	5,842	2,206,181
85	8	2,206,178	-	2,206,178	(12,195)	2,193,983	2,206,181	(18,005)	5,810	2,193,986
86	8	2,193,983	-	2,193,983	(12,227)	2,181,756	2,193,986	(18,005)	5,777	2,181,759
87	8	2,181,756	-	2,181,756	(12,259)	2,169,497	2,181,759	(18,005)	5,745	2,169,500
88	8	2,169,497	-	2,169,497	(12,292)	2,157,206	2,169,500	(18,005)	5,713	2,157,208
89	8	2,157,206	-	2,157,206	(12,324)	2,144,882	2,157,208	(18,005)	5,681	2,144,884
90	8	2,144,882	-	2,144,882	(12,356)	2,132,525	2,144,884	(18,005)	5,648	2,132,528
91	8	2,132,525	-	2,132,525	(12,389)	2,120,137	2,132,528	(18,005)	5,616	2,120,139
92	8	2,120,137	-	2,120,137	(12,421)	2,107,715	2,120,139	(18,005)	5,583	2,107,718
93	8	2,107,715	-	2,107,715	(12,454)	2,095,261	2,107,718	(18,005)	5,550	2,095,264
94	8	2,095,261	-	2,095,261	(12,487)	2,082,774	2,095,264	(18,005)	5,518	2,082,777
95	8	2,082,774	-	2,082,774	(12,520)	2,070,254	2,082,777	(18,005)	5,485	2,070,257
96	8	2,070,254	-	2,070,254	(12,553)	2,057,701	2,070,257	(18,005)	5,452	2,057,704
97	9	2,057,701	-	2,057,701	(12,586)	2,045,115	2,057,704	(18,005)	5,419	2,045,118
98	9	2,045,115	-	2,045,115	(12,619)	2,032,496	2,045,118	(18,005)	5,385	2,032,499
99	9	2,032,496	-	2,032,496	(12,652)	2,019,844	2,032,499	(18,005)	5,352	2,019,847



100	9	2,019,844	-	2,019,844	(12,686)	2,007,158	2,019,847	(18,005)	5,319	2,007,161
101	9	2,007,158	-	2,007,158	(12,719)	1,994,439	2,007,161	(18,005)	5,286	1,994,442
102	9	1,994,439	-	1,994,439	(12,752)	1,981,687	1,994,442	(18,005)	5,252	1,981,690
103	9	1,981,687	-	1,981,687	(12,786)	1,968,901	1,981,690	(18,005)	5,218	1,968,904
104	9	1,968,901	-	1,968,901	(12,820)	1,956,081	1,968,904	(18,005)	5,185	1,956,084
105	9	1,956,081	-	1,956,081	(12,854)	1,943,227	1,956,084	(18,005)	5,151	1,943,230
106	9	1,943,227	-	1,943,227	(12,887)	1,930,340	1,943,230	(18,005)	5,117	1,930,343
107	9	1,930,340	-	1,930,340	(12,921)	1,917,419	1,930,343	(18,005)	5,083	1,917,422
108	9	1,917,419	-	1,917,419	(12,955)	1,904,464	1,917,422	(18,005)	5,049	1,904,467
109	10	1,904,464	-	1,904,464	(12,989)	1,891,474	1,904,467	(18,005)	5,015	1,891,478
110	10	1,891,474	-	1,891,474	(13,024)	1,878,450	1,891,478	(18,005)	4,981	1,878,454
111	10	1,878,450	-	1,878,450	(13,058)	1,865,393	1,878,454	(18,005)	4,947	1,865,396
112	10	1,865,393	-	1,865,393	(13,092)	1,852,300	1,865,396	(18,005)	4,912	1,852,304
113	10	1,852,300	-	1,852,300	(13,127)	1,839,173	1,852,304	(18,005)	4,878	1,839,177
114	10	1,839,173	-	1,839,173	(13,161)	1,826,012	1,839,177	(18,005)	4,843	1,826,016
115	10	1,826,012	-	1,826,012	(13,196)	1,812,816	1,826,016	(18,005)	4,808	1,812,820
116	10	1,812,816	-	1,812,816	(13,231)	1,799,585	1,812,820	(18,005)	4,774	1,799,589
117	10	1,799,585	-	1,799,585	(13,266)	1,786,320	1,799,589	(18,005)	4,739	1,786,323
118	10	1,786,320	-	1,786,320	(13,301)	1,773,019	1,786,323	(18,005)	4,704	1,773,022
119	10	1,773,019	-	1,773,019	(13,336)	1,759,684	1,773,022	(18,005)	4,669	1,759,686
120	10	1,759,684	-	1,759,684	(13,371)	1,746,313	1,759,686	(18,005)	4,634	1,746,315
121	11	1,746,313	-	1,746,313	(13,406)	1,732,907	1,746,315	(18,005)	4,599	1,732,909
122	11	1,732,907	-	1,732,907	(13,441)	1,719,466	1,732,909	(18,005)	4,563	1,719,468
123	11	1,719,466	-	1,719,466	(13,477)	1,705,989	1,719,468	(18,005)	4,528	1,705,991
124	11	1,705,989	-	1,705,989	(13,512)	1,692,477	1,705,991	(18,005)	4,492	1,692,479
125	11	1,692,477	-	1,692,477	(13,548)	1,678,929	1,692,479	(18,005)	4,457	1,678,931
126	11	1,678,929	-	1,678,929	(13,583)	1,665,346	1,678,931	(18,005)	4,421	1,665,348
127	11	1,665,346	-	1,665,346	(13,619)	1,651,727	1,665,348	(18,005)	4,385	1,651,729
128	11	1,651,727	-	1,651,727	(13,655)	1,638,072	1,651,729	(18,005)	4,350	1,638,074
129	11	1,638,072	-	1,638,072	(13,691)	1,624,381	1,638,074	(18,005)	4,314	1,624,383
130	11	1,624,381	-	1,624,381	(13,727)	1,610,654	1,624,383	(18,005)	4,278	1,610,656
131	11	1,610,654	-	1,610,654	(13,763)	1,596,891	1,610,656	(18,005)	4,241	1,596,893
132	11	1,596,891	-	1,596,891	(13,799)	1,583,092	1,596,893	(18,005)	4,205	1,583,094
133	12	1,583,092	-	1,583,092	(13,836)	1,569,256	1,583,094	(18,005)	4,169	1,569,258
134	12	1,569,256	-	1,569,256	(13,872)	1,555,384	1,569,258	(18,005)	4,132	1,555,386
135	12	1,555,384	-	1,555,384	(13,909)	1,541,475	1,555,386	(18,005)	4,096	1,541,477
136	12	1,541,475	-	1,541,475	(13,945)	1,527,530	1,541,477	(18,005)	4,059	1,527,532
137	12	1,527,530	-	1,527,530	(13,982)	1,513,548	1,527,532	(18,005)	4,022	1,513,550
138	12	1,513,548	-	1,513,548	(14,019)	1,499,529	1,513,550	(18,005)	3,986	1,499,531
139	12	1,499,529	-	1,499,529	(14,056)	1,485,473	1,499,531	(18,005)	3,949	1,485,475
140	12	1,485,473	-	1,485,473	(14,093)	1,471,380	1,485,475	(18,005)	3,912	1,471,382
141	12	1,471,380	-	1,471,380	(14,130)	1,457,250	1,471,382	(18,005)	3,875	1,457,252
142	12	1,457,250	-	1,457,250	(14,167)	1,443,083	1,457,252	(18,005)	3,837	1,443,085
143	12	1,443,083	-	1,443,083	(14,204)	1,428,879	1,443,085	(18,005)	3,800	1,428,881
144	12	1,428,879	-	1,428,879	(14,242)	1,414,637	1,428,881	(18,005)	3,763	1,414,639
145	13	1,414,637	-	1,414,637	(14,279)	1,400,358	1,414,639	(18,005)	3,725	1,400,360
146	13	1,400,358	-	1,400,358	(14,317)	1,386,041	1,400,360	(18,005)	3,688	1,386,043
147	13	1,386,041	-	1,386,041	(14,355)	1,371,686	1,386,043	(18,005)	3,650	1,371,688
148	13	1,371,686	-	1,371,686	(14,392)	1,357,294	1,371,688	(18,005)	3,612	1,357,296
149	13	1,357,294	-	1,357,294	(14,430)	1,342,864	1,357,296	(18,005)	3,574	1,342,866
150	13	1,342,864	-	1,342,864	(14,468)	1,328,395	1,342,866	(18,005)	3,536	1,328,398
151	13	1,328,395	-	1,328,395	(14,506)	1,313,889	1,328,398	(18,005)	3,498	1,313,892

152	13	1,313,889	-	1,313,889	(14,545)	1,299,344	1,313,892	(18,005)	3,460	1,299,347
153	13	1,299,344	-	1,299,344	(14,583)	1,284,761	1,299,347	(18,005)	3,422	1,284,764
154	13	1,284,761	-	1,284,761	(14,621)	1,270,140	1,284,764	(18,005)	3,383	1,270,143
155	13	1,270,140	-	1,270,140	(14,660)	1,255,480	1,270,143	(18,005)	3,345	1,255,483
156	13	1,255,480	-	1,255,480	(14,698)	1,240,782	1,255,483	(18,005)	3,306	1,240,785
157	14	1,240,782	-	1,240,782	(14,737)	1,226,045	1,240,785	(18,005)	3,267	1,226,048
158	14	1,226,045	-	1,226,045	(14,776)	1,211,269	1,226,048	(18,005)	3,229	1,211,272
159	14	1,211,269	-	1,211,269	(14,815)	1,196,454	1,211,272	(18,005)	3,190	1,196,457
160	14	1,196,454	-	1,196,454	(14,854)	1,181,600	1,196,457	(18,005)	3,151	1,181,603
161	14	1,181,600	-	1,181,600	(14,893)	1,166,707	1,181,603	(18,005)	3,112	1,166,710
162	14	1,166,707	-	1,166,707	(14,932)	1,151,775	1,166,710	(18,005)	3,072	1,151,778
163	14	1,151,775	-	1,151,775	(14,972)	1,136,803	1,151,778	(18,005)	3,033	1,136,806
164	14	1,136,803	-	1,136,803	(15,011)	1,121,792	1,136,806	(18,005)	2,994	1,121,795
165	14	1,121,792	-	1,121,792	(15,050)	1,106,742	1,121,795	(18,005)	2,954	1,106,745
166	14	1,106,742	-	1,106,742	(15,090)	1,091,652	1,106,745	(18,005)	2,914	1,091,655
167	14	1,091,652	-	1,091,652	(15,130)	1,076,522	1,091,655	(18,005)	2,875	1,076,525
168	14	1,076,522	-	1,076,522	(15,170)	1,061,352	1,076,525	(18,005)	2,835	1,061,355
169	15	1,061,352	-	1,061,352	(15,210)	1,046,143	1,061,355	(18,005)	2,795	1,046,145
170	15	1,046,143	-	1,046,143	(15,250)	1,030,893	1,046,145	(18,005)	2,755	1,030,895
171	15	1,030,893	-	1,030,893	(15,290)	1,015,603	1,030,895	(18,005)	2,715	1,015,605
172	15	1,015,603	-	1,015,603	(15,330)	1,000,273	1,015,605	(18,005)	2,674	1,000,275
173	15	1,000,273	-	1,000,273	(15,370)	984,903	1,000,275	(18,005)	2,634	984,905
174	15	984,903	-	984,903	(15,411)	969,492	984,905	(18,005)	2,594	969,494
175	15	969,492	-	969,492	(15,452)	954,040	969,494	(18,005)	2,553	954,042
176	15	954,040	-	954,040	(15,492)	938,548	954,042	(18,005)	2,512	938,550
177	15	938,548	-	938,548	(15,533)	923,015	938,550	(18,005)	2,472	923,017
178	15	923,015	-	923,015	(15,574)	907,441	923,017	(18,005)	2,431	907,443
179	15	907,441	-	907,441	(15,615)	891,826	907,443	(18,005)	2,390	891,828
180	15	891,826	-	891,826	(15,656)	876,170	891,828	(18,005)	2,348	876,172
181	16	876,170	-	876,170	(15,697)	860,473	876,172	(18,005)	2,307	860,475
182	16	860,473	-	860,473	(15,739)	844,734	860,475	(18,005)	2,266	844,736
183	16	844,734	-	844,734	(15,780)	828,954	844,736	(18,005)	2,224	828,956
184	16	828,954	-	828,954	(15,822)	813,132	828,956	(18,005)	2,183	813,134
185	16	813,132	-	813,132	(15,863)	797,269	813,134	(18,005)	2,141	797,271
186	16	797,269	-	797,269	(15,905)	781,364	797,271	(18,005)	2,099	781,366
187	16	781,364	-	781,364	(15,947)	765,417	781,366	(18,005)	2,058	765,419
188	16	765,417	-	765,417	(15,989)	749,428	765,419	(18,005)	2,016	749,430
189	16	749,428	-	749,428	(16,031)	733,397	749,430	(18,005)	1,973	733,399
190	16	733,397	-	733,397	(16,073)	717,324	733,399	(18,005)	1,931	717,326
191	16	717,324	-	717,324	(16,116)	701,208	717,326	(18,005)	1,889	701,210
192	16	701,208	-	701,208	(16,158)	685,050	701,210	(18,005)	1,847	685,052
193	17	685,050	-	685,050	(16,201)	668,850	685,052	(18,005)	1,804	668,851
194	17	668,850	-	668,850	(16,243)	652,607	668,851	(18,005)	1,761	652,608
195	17	652,607	-	652,607	(16,286)	636,321	652,608	(18,005)	1,719	636,322
196	17	636,321	-	636,321	(16,329)	619,992	636,322	(18,005)	1,676	619,993
197	17	619,992	-	619,992	(16,372)	603,620	619,993	(18,005)	1,633	603,621
198	17	603,620	-	603,620	(16,415)	587,205	603,621	(18,005)	1,590	587,206
199	17	587,205	-	587,205	(16,458)	570,747	587,206	(18,005)	1,546	570,748
200	17	570,747	-	570,747	(16,502)	554,245	570,748	(18,005)	1,503	554,246
201	17	554,245	-	554,245	(16,545)	537,700	554,246	(18,005)	1,460	537,701
202	17	537,700	-	537,700	(16,589)	521,112	537,701	(18,005)	1,416	521,112
203	17	521,112	-	521,112	(16,632)	504,479	521,112	(18,005)	1,372	504,480



## EXHIBIT B

### RULES AND REGULATIONS

The following rules and regulations have been adopted by Lessor:

1. The driveways, sidewalks, parking lot, exits and entrances shall not be obstructed by Lessee or used for any purpose other than for ingress to and egress from its respective premises. Lessor shall, in all cases, retain the right to control and prevent access by all persons whose presence, in the judgment of Lessor, shall be prejudicial to the safety, character, reputation and interests of the Project and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom the tenants normally deal in the ordinary course of business, unless such persons are engaged in illegal activities. Lessee shall not and no employees and invitees of any tenant shall go upon the roof of the Project.

2. No sign shall be attached to or placed in windows without Lessor's prior written approval. No awning or shade shall be affixed or installed over or in the windows of the exterior of the Premises. The windows of the Project shall not be covered or obstructed.

3. Except as is customary in an office and/or shop environment:

A. Electric and computer wiring of any kind shall be introduced and connected as directed by Lessor and no boring or cutting for wires will be allowed except with the consent of Lessor; and

B. The location of telephone service facilities, call boxes, etc., shall be prescribed by Lessor.

4. No additional lock or locks shall be placed by Lessee on any door in the Project if prohibited by local fire department or governmental agency, rule, or regulation and unless

written consent of Lessor shall have first been obtained; which consent shall not be unreasonably withheld.

5. Lessee shall cause its employees to park in areas designated from time to time for employee parking.

6. No aerial or antenna (including "dish" antennas) shall be erected on the roof or exterior walls of the Premises, or on the grounds, without in each instance, the written consent of Lessor.

7. All garbage, refuse, or trash shall be placed by Lessee in the receptacles provided by Lessor for that purpose.

8. Lessee agrees that it shall comply with all fire and security regulations that may be issued from time to time by Lessor, (subject to Lessor's obligation under Section 3 of this Lease) and Lessee also shall provide Lessor with the name of a designated responsible employee to represent Lessee in all matters pertaining to such fire or security regulations.

9. Lessee shall see that the doors of the Premises are closed and securely locked before leaving the Premises

10. The requirements of Lessee will be attended to only upon application to the Management Agent.

11. Lessor reserves the right, by written notice to Lessee, to add to, rescind, alter, or waive these Rules and Regulations at any time prescribed for the Project when, in Lessor's reasonable judgment, it is necessary, desirable, or proper for the best interest of the Project and its tenants, provided that no such addition, revocation, alteration, or waiver will adversely affect the use of the premises as then carried on by Lessee unless required by governmental authority or regulation. No assent or consent to any waiver of any part hereof by Lessor in spirit or letter shall be deemed or taken as made except when the same is done in writing and attached to or endorsed hereon by Lessor.

12. Lessee shall not disturb, solicit, or canvass any occupant of the Project and shall cooperate to prevent same.

13. Lessee, its servants, employees, customers, invitees and guests shall, when using the common parking facilities in and around the Project, observe and obey all signs regarding fire lanes and no parking zones, and when parking, always park between the designated lines. Lessor reserves the right to tow away, at the expense of the owner, any vehicle which is improperly parked or parked in a no parking zone. All vehicles shall be parked at the sole risk of the owner, and Lessor assumes no responsibility for any damage to or loss of vehicles.

14. All city and county ordinances shall be observed by tenants in the use of this Project and leased Premises.

In the event of any conflict between these rules and regulations or any further or modified rules and regulations from time to time issued by Lessor and the Lease provisions, the Lease provisions shall govern and control.

EXHIBIT C



To: WE Energies Customer Service  
Small Commercial Center  
Fax: 262-523-7823

RE: 3<sup>rd</sup> Party Notification Agreement

To Whom It May Concern:

I hereby authorize WE Energies to notify Bear Property Management, Inc. of any disconnect notices concerning my/our accounts for the property address(s) noted below from this date forward. Said notices are to be sent to Bear Property Management, Inc. at 4015 - 80<sup>th</sup> Street, Kenosha, WI 53142

Property Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved by:

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
WE Energies Account Number

\_\_\_\_\_  
WE Energies Account Number

Accepted by:

Bear Property Management, Inc.  
\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
WE Energies Account Number

\_\_\_\_\_  
WE Energies Account Number

## EXHIBIT D

### PLAN OF THE PREMISES

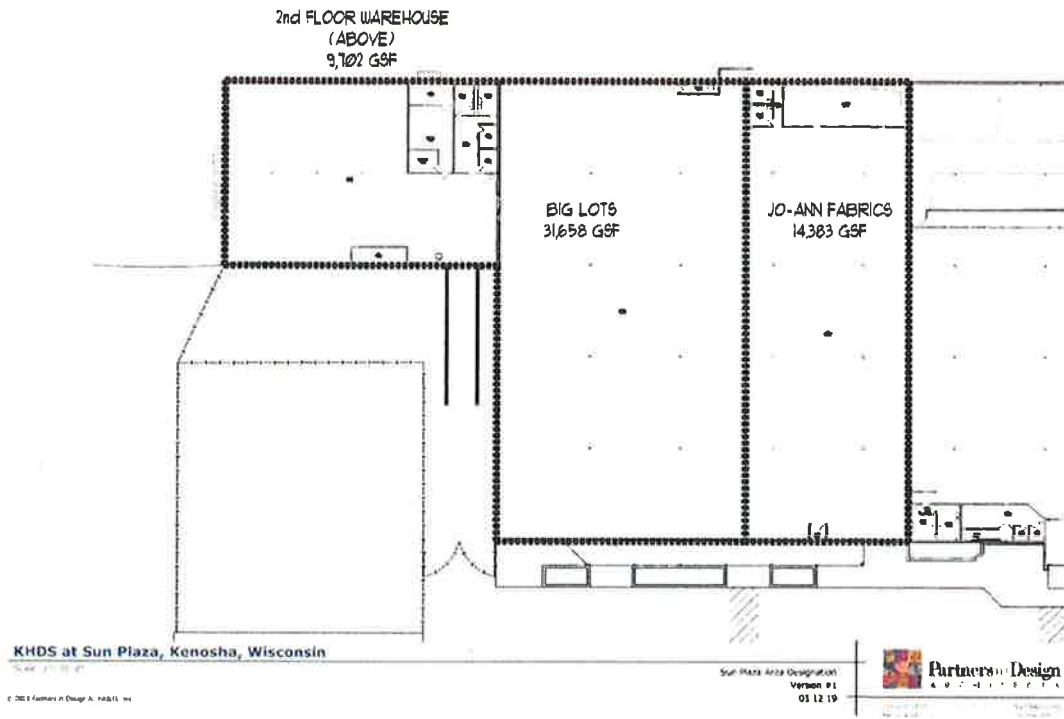




EXHIBIT E

LESSOR'S IMPROVEMENT WORK

- To be supplemented at a later date pursuant to Section 3.

A handwritten signature or set of initials, possibly reading 'H. A.', written in dark ink.

## County Parcels

### Tax Parcel Number:

07-222-25-360-001  
07-222-25-360-019  
07-222-25-360-018  
07-222-25-360-017  
07-222-25-360-016  
07-222-25-360-015  
07-222-25-360-014  
07-222-25-360-013  
07-222-25-360-012  
07-222-25-360-011  
07-222-25-360-041  
07-222-25-360-042  
07-222-25-360-063  
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07-222-25-360-026  
07-222-25-360-027  
07-222-25-360-028  
07-222-25-360-029  
07-222-25-360-030  
07-222-25-360-065  
07-222-25-360-066  
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07-222-25-360-068  
07-222-25-360-069  
07-222-25-360-070  
07-222-25-360-071  
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07-222-25-360-037  
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07-222-25-360-080  
07-222-25-360-076  
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07-222-25-360-106  
07-222-25-360-107  
07-222-25-360-108  
07-222-25-360-109  
07-222-25-360-114

**MEMORANDUM OF UNDERSTANDING BETWEEN KENOSHA COUNTY, CITY OF KENOSHA AND BEAR  
DEVELOPMENT, LLC RELATING TO THE DEVELOPMENT OF THE K.A.T. SUBDIVISION AND CERTAIN  
ADJACENT LANDS**

This Memorandum is hereby entered into by and between Kenosha County (the "County"), the City of Kenosha (the "City") and Bear Development, LLC, or its assigns ("Bear").

WHEREAS, the County is the owner of 88 single family lots (the "County Lots") and Outlot 4 of the K.A.T. Subdivision in the City of Kenosha and as more particularly itemized on the attached Exhibit A.

WHEREAS, the City is the owner of 4 single family lots (the "City Lots") and Outlot 1 and 2 of the K.A.T. Subdivision in the City of Kenosha as more particularly itemized on the attached Exhibit B.

WHEREAS, the County Lots, the City Lots, Outlots 1, 2 and 4 shall hereinafter collectively be referred to as the "Property."

WHEREAS, Kenosha Human Development Services ("KHDS") contracts with the County to provide a number of services and the County pays KHDS for these services.

WHEREAS, the contractual fees paid by the County to KHDS factor in operating and leasing expenses of KHDS.

WHEREAS, the parties acknowledge that KHDS is obligated to an affiliate of Bear; BREG6, LLC for certain leasehold improvements and other payments pursuant to a Lease Agreement dated March 18, 2019 (the "KHDS Obligation").

WHEREAS, the grant and reduction given by BEAR to KHDS as a result of the County transferring the County Lots and Outlot 4 to the City's, shall directly reduce the KHDS Obligation and thereby reduce the operating expenses subsequently charged to the County by KHDS pursuant to KHDS's contractual relationship to BREG6, LLC.

WHEREAS, this Memorandum confirms the discussions between the County, the City and Bear regarding the transfer and development of the Property and the consideration to be provided by the parties to this Memorandum.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the parties hereto agree as follows:

1. The City and the County shall execute an agreement pursuant to Section 75.69(2), Wis. Stats, whereby the County shall transfer by quit-claim deed the County Lots and Outlot 4 to the City (hereinafter "the County-City Agreement"), subject to the following terms:
  - A. Upon execution of the County-City Agreement and the delivery of the quit claim deed referenced in Section 1.B hereof, Bear shall grant and acknowledge in writing an immediate reduction of the KHDS obligation in the full amount of \$1,238,600.



- B. The delivery of the quit-claim deeds by the County to the City shall be contingent upon approval by the City Common Council of the Developer Entitlements (as hereinafter defined) and the execution of the Purchase and Sale Agreement between Bear and the City ("Purchase and Sale Agreement") as described in Section 2 hereof.
  - C. The delivery of the quit-claim deeds by the County to the City shall occur not less than 30 days following the satisfaction of the contingencies set forth in Section 1.B. hereof (the City Common Council's approval of the Developer Entitlements and the Purchase and Sale Agreement).
2. Upon approval by the County Board, Common Council and execution of the County-City Agreement referenced in Section 1 hereof, Bear (or an affiliate of Bear) and the City shall enter into a Purchase and Sale Agreement for the sale of the Property from the City to Bear, subject to the following terms:
- A. The Purchase Price to be paid by Bear to the City in the amount of \$336,400. (Note: Purchase price is based upon \$255,000 purchase price for the City Lots plus outstanding special assessments associated with the County Lots @ 88 lots x \$925 per lot = \$81,400).
  - B. The Purchase Price shall be evidenced by a promissory note issued by Bear to the City (the "City Note"). The City Note will be subject to the following terms:
    - The Note shall not accrue interest.
    - Payments shall be made on the Note as set forth in Section 5 hereof.
    - The term of the Note shall be Five Years. Any remaining unpaid balance shall be paid in full by Bear at the end of the term.
  - C. The purchase of the property by Bear from the City (the "Closing") shall be contingent upon the approval by the Common Council of the Developer Entitlements (as hereinafter defined).
  - D. The Closing shall occur not less than 30 days following the delivery of the quit-claim deeds by the County to the City. The County shall not be responsible for paying either the City or Bear any costs associated with this Closing.
3. Upon execution of this Memorandum, Bear shall diligently pursue and work with City Staff, the City Plan Commission, appropriate City Committees and the Common Council to obtain the required approval of the following items (hereinafter and previously referred to as the "Developer Entitlements"):
- A. The Purchase and Sale Agreement between the City and Bear referenced in Section 2 hereof.

- B. A Plat of Subdivision which subdivides Outlot 1 into 13 additional single-family residential lots.
- C. A petition to re-zone the land known as Parcel No. 07-222-25-327-001 (the "Multi-family Parcel") owned by Bear's affiliate.
- D. A Development Agreement for the Property, which includes provisions that (a) all infrastructure including stormwater detention/retention facilities required by the City and the City of Kenosha Water Utility be completed and accepted within five (5) years (b) prohibiting the development of any City or County lot pursuant to any rent to own program and (c) any other agreements related to the Development Agreement including, but not limited to, Stormwater Management Facilities Maintenance Agreement(s).
- E. A Development/TIF Agreement for the Property containing the following terms:
  - A 100% developer funded TIF to partially fund the eligible project costs needed to develop the Property.
  - Bear shall timely pay any and all permit and impact fees to the City in accordance with applicable ordinances associated with the development of the Property.
  - The extension of TID #10 through 2035 with the final TIF payment to be made to Bear in 2036.
  - The City shall, as a development incentive, and to reimburse Bear for certain project costs, issue a revenue bond (the "Bond") to Bear, in a form acceptable to Bear and the City in an amount not to exceed \$5,350,000. Until the expiration of TID #10, the City shall make annual payments on the Bond, in an amount equal to (but not in excess of) the aggregate amount of tax increment generated on the Property, or any parcel located within TID #10 as identified on the attached Exhibit C (the "Bear Parcels"), or any parcel within said TID #10 hereinafter acquired by Bear or its affiliates during the life of said TID #10. The City agrees that it will not apply any tax increment revenue generated by any of the foregoing parcels for any purpose prior to the payment of the Bond.
  - Bear may assign the TIF payments to be made under the Development/TIF Agreement, or portions thereof; to the Property, one or more of its affiliated developments within TID #10, or any combination thereof, in Bear's discretion.
- 4. In the event that the Developer Entitlements have not been obtained by Bear on or before October 31, 2020; the reduction by Bear of the KHDS obligation is not granted in accordance with paragraph 1.A., or any party breaches its obligations under this Agreement, the County-City Agreement and the Purchase and Sale Agreement set forth in Sections 1 and 2 hereof

shall be null and void and no obligation or liability whatsoever is owed to or by any party hereto nor shall any party be entitled to make any claim for damages or expenses associated with this Memorandum. The parties hereto expressly agree and understand this Memorandum is no more than agreement to agree.

5. At the time of the Closing of the sale of any lot by Bear to a buyer (other than an affiliate of Bear), and until such time as the City Note has been paid in full, Bear shall pay to the City the sum of \$15,000 for each such Lot sold, and such sum(s) shall be applied to the balance of the City Note.
6. Bear acknowledges that any and all private drainage facilities for the Property, including the retention pond located on Outlot 4, will be maintained by Bear, until such time as they are conveyed to a private Homeowner's association. Homeowner's association and Bear will enter into an agreement under the Declaration of Restrictions, Covenants and Easements guaranteeing that property taxes will be paid on the outlots for this development by the Homeowner's association or its successor owner. The maintenance and management of such facilities will be governed by an appropriate Declaration of Restrictions, Covenants and Easements to be drafted by Bear, acceptable to the City, and recorded against the title to the Property; with a copy being provided to the City and County. The parties acknowledge that upon delivery of the quit claim deed described under Section 1 hereof for the County Lots, that the County shall not be responsible for any maintenance obligations or liabilities attributable to any such drainage facilities or with respect to the County Lots.
7. No forbearance or waiver of any term of this Memorandum shall be construed as a waiver of any other term of this Memorandum or any other instance or particular covered by this Memorandum.
8. This Memorandum was mutually drafted by the County, the City and Bear. Each of the undersigned hereby represent and warrant that they have the requisite power and authority to execute this Memorandum and that the execution and delivery of this Memorandum by the undersigned has been approved by all action required by law.
9. The parties agree that this Memorandum shall be governed by the laws of the State of Wisconsin.
10. This Memorandum may be executed in two (2) or more counterparts, all of which shall be considered one and the same Memorandum and it shall become effective when one or more counterparts have been signed by each of the parties.
11. Any notice required to be given to any party to this Memorandum shall be in writing and delivered either by hand or certified mail, return receipt requested, to the addresses indicated below, or such address as the parties indicate in writing. Notice shall be effective as of the date of delivery, if by hand, or mailing, if by certified mail.

If to the City:	Office of the City Administrator Municipal Building, Room 300, 625 - 52 <sup>nd</sup> Street, Kenosha, Wisconsin 53140
With a copy to:	Office of the City Attorney Municipal Building, Room 201, 625 - 52 <sup>nd</sup> Street, Kenosha, Wisconsin 53140.
If to Kenosha County:	County Executive, 1010 56 <sup>th</sup> Street, Kenosha, Wisconsin 53140.
With a copy to:	Corporation Counsel's Office 912 56 <sup>th</sup> Street, LL13 Kenosha, WI 53140
If to Bear:	Bear Development, LLC Attn: Stephen R. Mills 4011 80 <sup>th</sup> Street Kenosha, WI 53142

*Signature page follow*



Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

---

Jim Kreuser, County Executive

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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John M. Antaramian, Mayor

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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Debra Salas, City-Clerk Treasurer

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019.

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Stephen R. Mills, CEO  
Bear Development, LLC

## Exhibit A

### County Parcels

#### Tax Parcel Number:

07-222-25-360-001  
07-222-25-360-019  
07-222-25-360-018  
07-222-25-360-017  
07-222-25-360-016  
07-222-25-360-015  
07-222-25-360-014  
07-222-25-360-013  
07-222-25-360-012  
07-222-25-360-011  
07-222-25-360-041  
07-222-25-360-042  
07-222-25-360-063  
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07-222-25-360-105  
07-222-25-360-106  
07-222-25-360-107  
07-222-25-360-108  
07-222-25-360-109  
07-222-25-360-114

**Exhibit B**  
**City Parcels**

**Tax Parcel Number:**

07-222-25-360-020

07-222-25-360-040

07-222-25-360-090

07-222-25-360-064

07-222-25-360-111

07-222-25-360-112

07-222-25-360-113

**Exhibit C**  
**Bear Parcels**

**Tax Parcel Number:**

07-222-25-327-001

07-222-25-326-011

07-222-25-327-002

GL-27-19



# COUNTY OF KENOSHA

Mary T. Kubicki

COUNTY CLERK

1010 - 56th Street  
Kenosha WI 53140  
(262) 653-2552  
Fax: (262) 653-2564

NOV 15 2019

## CLAIM AGAINST KENOSHA COUNTY

FULL NAME

Roger Johnson

DATE

11/6/19

ADDRESS

P.O. Box 191

Silver Lake WI 53170

TELEPHONE NUMBER:

Home:

262-515-5597

Work:

DATE & TIME OF ACCIDENT OR LOSS

LOCATION OF ACCIDENT

DESCRIPTION OF ACCIDENT OR LOSS

Would like to <sup>be reimbursed</sup> retain my legal fees for get my Daughter Death Certificate changed from complication due to Drug overdose to Septic Shock due to Colon Perforation due to Vascular Ischemia.

Lawyer so far, 2625.00

Dr. Jeffery Jentzen Reading medical Reports \$4,000.00

which my Lawyer has his bill.

WITNESS:

Name

Address

Phone

AMOUNT OF CLAIM (damages)

\$6,625.00

CLAIMANT'S SIGNATURE

*Roger Johnson*

Please attach receipts, estimates, and/or other supporting data to this form.

RETURN THIS FORM TO: KENOSHA COUNTY CLERK

1010 - 56<sup>TH</sup> STREET  
KENOSHA WI 53140

1013

✓ Track Your Expenses...

- ☐ Auto/Travel ☐ Education ☐ Medical/Dental  
☐ Business ☐ Entertainment ☐ Savings  
☐ Charities ☐ Food ☐ Taxes  
☐ Clothing ☐ Home ☐ Utilities  
☐ Dependent Care ☐ Insurance ☐ Other

Frederick Zievers, LLC  
of two thousand Six Hundred Twenty Nine dollars

MAY 17 2019

BAL FOR'D	
ITEM AMOUNT	2,625.00
BALANCE	100
DEPOSIT	
FOR'D	

Duplicate is produced using soy-based materials.  
Images may appear light.

☐ TAX DEDUCTIBLE ITEM

Memo

For enhanced security your account number will not be printed on this copy

NOT NEGOTIABLE

GL-28-19



**We Energies**

Claims - A145

P.O. Box 1132

Milwaukee, WI 53201-1132

Phone 800-555-3303 x3437

Fax 262-523-7889

Email [damagedclaims@wecenergygroup.com](mailto:damagedclaims@wecenergygroup.com)



**NOTICE OF CLAIM FOR DAMAGES**

**TO: Kenosha County  
Attn: County Clerk  
19600 75<sup>th</sup> Street  
Bristol, WI 53104**

**PLEASE TAKE NOTICE**, that pursuant to Sec. 893.80, Wis. Stats, We Energies, 231 W. Michigan St., Milwaukee, Wisconsin by Bonnie Wesley, Claims Analyst, hereby gives notice that on or about September 26, 2019, the claimant suffered damage and associated loss of gas main in the area of 4701 7<sup>th</sup> Street in the Village of Somers, Wisconsin.

**PLEASE TAKE FURTHER NOTICE** that at the aforementioned time and place, the claimant sustained damage to underground gas service.

**PLEASE TAKE FURTHER NOTICE**, that all times material Kenosha County through its officials, employees, agents or representatives, including but not limited to Kenosha County, struck and damaged gas service while excavating.

**PLEASE TAKE FURTHER NOTICE** that the damages suffered by We Energies were directly and proximately caused by the actions of Kenosha County Highway Department in that its employee, Wayne Ball, in the normal course of employment, struck gas service during excavating activity.

**Kenosha County**





**We Energies**

Claims - A145  
P.O. Box 1132  
Milwaukee, WI 53201-1132  
Phone 800-558-3303 x3437  
Fax 262-523-7889  
Email [damageclaims@wecenergygroup.com](mailto:damageclaims@wecenergygroup.com)



Page 2

**PLEASE TAKE FURTHER NOTICE**, that by reason of the aforesaid negligence and carelessness of Kenosha County, We Energies sustained damages for which it makes claim upon Kenosha County in the sum of \$620.66 and such other relief as provided by law.

**PLEASE TAKE FURTHER NOTICE**, that Bonnie Wesley is the representative of the claimant in this matter, and any request for further information should be addressed to said individual at PO Box 1132, Milwaukee, Wisconsin, 53201-1132.

Dated at Milwaukee, Wisconsin, 19th day of November, 2019.

WE ENERGIES

By Bonnie Wesley  
Bonnie Wesley, Claims Analyst

P.O. ADDRESS:  
We Energies  
Claims, Room A145  
PO Box 1132  
Milwaukee WI 53201-1132  
Telephone: 414-221-2498

Claim Number CL-201995812