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AGENDA
VILLAGE OF SUSSEX
TID #7 JOINT REVIEW BOARD AND ANNUAL MEETING
4:30 P.M. TUESDAY, JUNE 22, 2021
SUSSEX CIVIC CENTER – 2ND FLOOR
N64W23760 MAIN STREET

Pursuant to the requirements of Section 19.84, Wis Stats., notice is hereby given of a meeting of the Village of Sussex Joint Review Board, at which a quorum of the Village Board may attend in order to gather information about a subject which they have some decision-making responsibility. The meeting will be held at the above noted date, time and location. Notice of Village Board Quorum, (Chairperson to announce the following if there is a Village Board Quorum: Please let the minutes reflect that a quorum of the Village Board is present and that the Village Board members may be making comments under the Public Comments section of the agenda, during any Public Hearing(s) or if the rules are suspended to allow the same.)

1. Call to Order of Joint Review Board for TID No. 7
2. Roll Call.
3. Consideration and possible action on JRB minutes from 8-4-2020 and 5-18-2021.
4. Consideration and possible action on Joint Review Board Resolution 21-11 approving the Project Plan Amendment No.1 for Tax Incremental District No. 7 of the Village of Sussex.
5. Discussion and presentation on Status of Sussex TID No. 7 and Annual Report.
6. Adjournment.

Jeremy Smith
Village Administrator

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Jeremy Smith at 246-5200.

VILLAGE OF SUSSEX
SUSSEX, WISCONSIN

Minutes of the Joint Review Board (JRB) Annual meeting for TID #6 and TID #7 held on August 4, 2020.

This meeting was held virtually. <https://us02web.zoom.us/j/86770949670> or by calling 1 312-626-6799 AND entering meeting ID: 867 7094 9670

The meeting was called to order by Assistant Development Director Kasey Fluet at 3:00 p.m.

Members Present: Andrew Thelke-Waukesha County, Dr. Jane Kittel, CPA-Waukesha County Technical College, Shelli Reilly-Hamilton School District Representative and Amanda Schauer appointed citizen.

Staff present: Kasey Fluet – Assistant Development Director.

Others present: Dave Anderson from PFM Group and Jeremy Smith, Village Administrator.

Dave Anderson reviewed the annual report for TIF #6 (copy attached). Mr. Anderson said reported the TIF #6 is doing well even though the property for the senior living facility has not developed and taxes are not being collected on what would be a \$14 million dollar value. Dr. Kittel asked about the status of the project. Mr. Goetz stated the owners at first had to work with the State regarding licensing and once they got that cleared up the construction was to begin but never happen. Mr. Goetz stated they still own the property and could at some point start the project at a later date.

A motion by Goetz, seconded by Thelke to adjourn the meeting at 10:10 a.m. Motion Carried.

Respectfully submitted,
Kasey Fluet
Assistant Development Director

VILLAGE OF SUSSEX
SUSSEX, WISCONSIN

Meeting was called to order by Village Administrator Jeremy Smith at 5:36 p.m.

Members Present: Andrew Thelke-Waukesha County, Dr. Jane Kittel, CPA-Waukesha County Technical College, Jeff Gross-Arrowhead Union High School District and Amanda Schauer appointed citizen.

Staff present: Kasey Fluet – Assistant Development Director and Jeremy Smith, Village Administrator.

Others present: Dave Anderson from PFM Group

Election of Chairperson and Vice-Chairperson

A motion by Gross and seconded by Schauer to elect Andrew Thelke as Chairperson, a motion by Kittel and seconded by Gross to nominate Anthony LeDonne Village President as second Chairperson.

Motion Carried.

Review of TIF#7 Boundary Amendment and Project Plan

Dave Anderson reviewed the amendment and project plan to TIF #7 (copy attached).

Thelke asked if there is a concept for the residential portion of the plan. Kittle asked if the amendment was because of the Brown farm purchase and adding to the existing business park. Smith stated there is no plan for the residential portion and stated the amendment is for the extension of the park to include the Brown farm.

Thelke asked for some updates to the plan including language about the but for test and updates on how this TIF amendment layers with the existing TIF District.

The next meeting will be scheduled for Tuesday June 22nd at 4:30 p.m.

A motion by Thelke, seconded by Schauer to adjourn the meeting at 5:50 p.m.

Motion Carried.

Respectfully submitted,
Kasey Fluet
Assistant Development Director



DRAFT

**Project Plan
Amendment No. 1 for
Tax Incremental District No. 7
Project Plan
In the Village of Sussex**

Public Hearing Held:

Adopted by CDA:

Adopted by Village Board:

Approved by Joint Review Board:

May 18, 2021



115 South 84th Street
Suite 315
Milwaukee, WI 53214
414-771-2700 Telephone

Village of Sussex, Wisconsin

Village of Sussex Elected Officials

Village President Anthony LeDonne

Scott Adkins

Benjamin Jarvis

Stacy Riedel

Lee Uecker

Ron Wells

Gregory Zoellick

Village of Sussex Community Development Authority

Village President Anthony LeDonne

Chairperson Jim Stone

Heather Pfalz

Jennifer Bell

Ralph Benka

Scott Adkins

Mike Schulist

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I. Background and Introduction

In 2018, the Village of Sussex (the “Village”) created Tax Incremental Financing District Number 7 (“TID No.7” or “District”) for the purpose of promoting industrial and commercial development on properties located at the northwest corner of the intersection of STH 164 and CTH K. The development, known as the Sussex Commerce Center, is providing for the continued expansion and diversification of the Village’s tax base and provides employment opportunities for Village residents. The project is designed to build upon the success of the Sussex Corporate Center which is located directly across STH 164 on the northeast corner of the intersection of STH 164 and CTH K. The Sussex Commerce Center consists of approximately 56 developable acres with 48 acres of industrial development and 8 acres of commercial development.

The Developer of the Sussex Commerce Center recently acquired approximately 76 additional acres immediately west of their current property. The Village is proposing to expand the existing TID#7 western boundary to include the additional property. It is anticipated that approximately 40 acres will be developed as a business park with construction of the first building beginning in 2021 and additional buildings constructed annually through 2025. In addition to the business park development, it is anticipated that approximately 36 acres will be available for residential development.

II. Statement of Kind, Number and Location of Proposed Public Works and Improvements

TID No. 7 is being amended by the Village of Sussex under the authority provided by Wisconsin Statute Section 66.1105. The District is being amended to encourage the further development. Not less than 50% by area of the real property within the District is suitable for industrial sites within the meaning of section 66.1101 of the Wisconsin State Statutes, and has been zoned for industrial use.

Any cost directly or indirectly related to promoting industrial development is considered a “project cost” and eligible to be paid from tax increments of the District. Additionally, the costs of planning, engineering, designing, surveying, legal and consultant fees, testing, environment studies, permits necessary for public work, easements, judgments or damage claims for damages, and other expenses for all project categories as well as discretionary payments, are included in project costs.

Listed below are direct project costs associated with the TID No. 7 Amendment Area.

Development Incentives

The Village anticipates entering into a Development Agreement which would provide the Developer with a total payment of \$2,400,000. The developer will be responsible for all

public improvements on the property including water and sewer main installation, grading and road construction.

Administrative and Organizational Costs

Imputed administrative costs of TID No. 7 include, but are not limited to, a portion of the salaries of Village employees and elected officials, professional fees for audits, legal review, planning and engineering services, professional assistance with general administration of TID No. 7 and other costs associated with the creation and administration of projects over the expenditure period including the administration of grants and other financial assistance received to help pay for projects within TID No. 7.

Financing Costs

Financing costs for TID No. 7 include interest, finance fees, bond discounts, bond redemption premiums, legal opinions, ratings, capitalized interest, bond insurance and other expenses related to financing.

III. Economic Feasibility Study

The purpose of this economic feasibility study is to answer two fundamental questions:

- 1) Is the Village able to obtain financing for the improvements within the District?
And, more importantly:
- 2) Will the tax increment revenues generated by the District be sufficient to repay the District's obligations?

An analysis to determine the answer to each of these questions follows. The analysis includes only those project costs related to the plan amendment and the increment revenues anticipated as a result of the plan amendment.

Ability to Obtain Financing

An important aspect to consider in assessing the feasibility of the TID No. 7 Amendment Area is the ability of the Village to finance the desired projects. Options available to the Village to finance the project costs include general obligation notes and bonds, revenue bonds, and special assessment bonds. The Community Development Authority of the Village could also issue CDA Lease Revenue Bonds to finance the project costs.

General obligations of the Village are limited by state law to five percent of the Village's total equalized property value. Payments for general obligation debt are not, however, limited by the current levy limit laws. The Village has sufficient general obligation debt capacity to obtain the funds necessary to implement this project plan, as amended.

Ability to Repay Obligations

In order to determine the ability of the TID No. 7 Amendment Area to repay its obligations it is necessary to project tax increment revenues and analyze the District's cash flow. The revenue projection contained on page 7 is based upon the following assumptions:

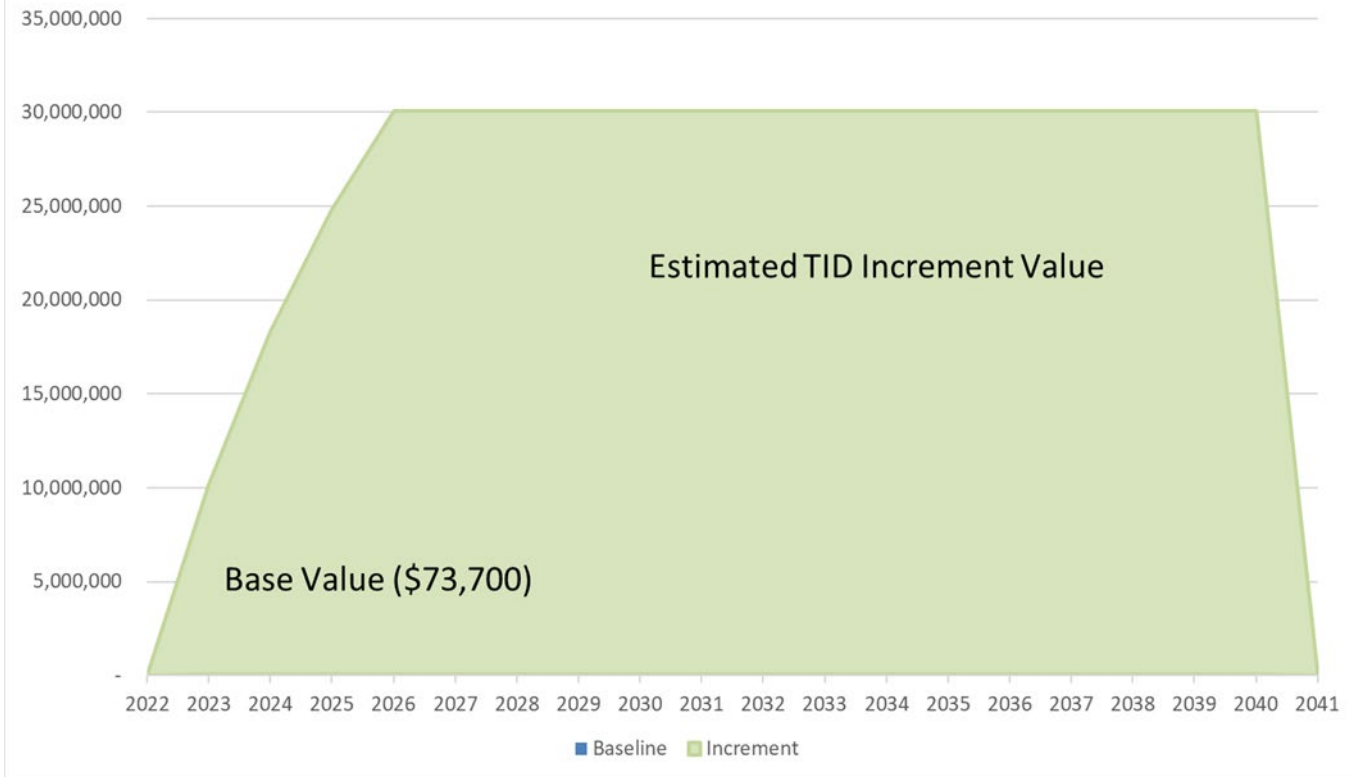
- The base value of the amended area of the district is estimated to be \$73,700.
- The tax rate is \$17.11 per thousand of equalized value, which is the Village's current tax rate, and is projected to remain constant throughout the life of the District.
- The analysis anticipates that there will be 32 net developable acres in the business park which will generate approximately \$30 million in increment value (\$4 million in increased land value and \$26 million in new construction). The construction projects will occur as acreage is sold to third parties. The estimated timeline for the sale of the parcels and construction is as follows:

Sold/ Construction Year	Number of Acres Sold
2022	7.5
2023	10.0
2024	8.0
2025	6.5
Total Acres	32.0

In addition to the business park development it is anticipated that approximately 36 acres will be available for residential development. There is no timetable for the residential development and no values are included for the purposes of this analysis.

- Valuations are projected to remain at their initial construction value and, for the purpose of this analysis, are not expected to increase or decrease throughout the life of the District.

Village of Sussex
TID No. 7 Projected Increment Values
(TID No. 7 Amendment Area)



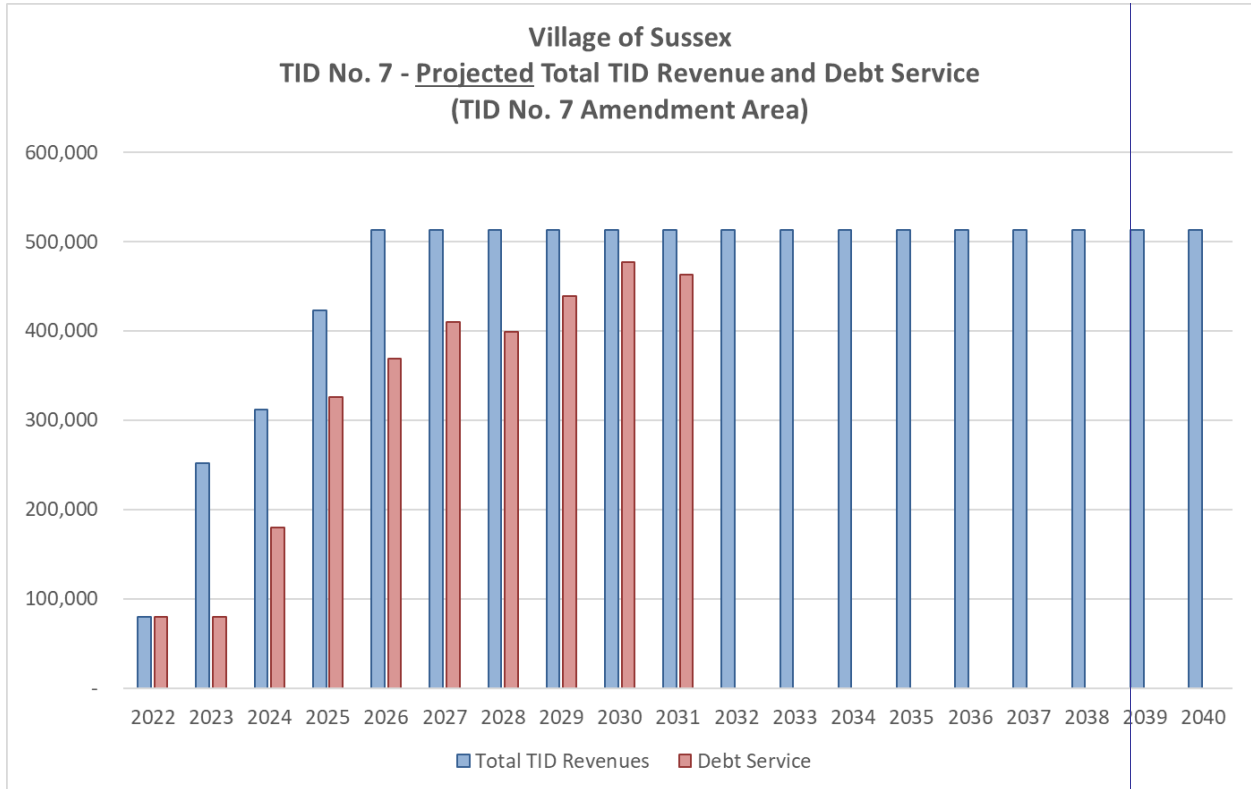
Projected Tax Increment (TID No. 7 Amendment Area)

<u>Const. Year</u>	<u>Jan. 1 Valuation</u>	<u>Revenue Collection</u>	<u>New Construction</u>	<u>Total Increment</u>	<u>Tax Rate</u>	<u>TID Revenues</u>
2021	2022	2023	10,093,750	10,093,750	15.80	159,481
2022	2023	2024	8,125,000	18,218,750	15.80	287,856
2023	2024	2025	6,500,000	24,718,750	15.80	390,556
2024	2025	2026	5,281,250	30,000,000	15.80	474,000
2025	2026	2027		30,000,000	15.80	474,000
2026	2027	2028		30,000,000	15.80	474,000
2027	2028	2029		30,000,000	15.80	474,000
2028	2029	2030		30,000,000	15.80	474,000
2029	2030	2031		30,000,000	15.80	474,000
2030	2031	2032		30,000,000	15.80	474,000
2031	2032	2033		30,000,000	15.80	474,000
2032	2033	2034		30,000,000	15.80	474,000
2033	2034	2035		30,000,000	15.80	474,000
2034	2035	2036		30,000,000	15.80	474,000
2035	2036	2037		30,000,000	15.80	474,000
2036	2037	2038		30,000,000	15.80	474,000
2037	2038	2039		30,000,000	15.80	474,000
2038	2039	2040		30,000,000	15.80	474,000
		2041				
	Totals		30,000,000			7,947,894

Projected Capitalization Schedule (TID No. 7 Amendment Area)

<u>Project</u>	<u>2021 Notes</u>
Business Park Infrastructure	2,200,000
Development Fees	200,000
Administrative and Legal	<u>25,000</u>
Total Project Costs	<u>2,425,000</u>
<i>Plus:</i>	
Capitalized Interest	159,000
Underwriters Discount	26,500
Finance and Legal	<u>40,000</u>
Total Funds Needed	<u>2,650,500</u>
<i>Less:</i>	
Interest Earnings	(500)
Funds on Hand	<u>--</u>
Total Debt Issue	<u>2,650,000</u>

Based upon these assumptions, the Village is able to obtain financing for the improvements required by TID No. 7 and the projected revenues will be sufficient to repay all of the district's obligations.



Village of Sussex

Tax Incremental District No. 7 Cash Flow (TID No. 7 Amendment Area)

Year	Incremental Revenues	Capitalized Interest	Total	2021 Notes			Surplus/ (Deficit)	Revenue Balance	Debt Balance
				Princ.	Int.	Total			
2022		79,500	79,500		79,500	79,500	-	-	2,650,000
2023	159,481	79,500	238,981		79,500	79,500	159,481	159,481	2,650,000
2024	287,856		287,856	125,000	79,500	204,500	83,356	242,838	2,525,000
2025	390,556		390,556	250,000	75,750	325,750	64,806	307,644	2,275,000
2026	474,000		474,000	350,000	68,250	418,250	55,750	363,394	1,925,000
2027	474,000		474,000	350,000	57,750	407,750	66,250	429,644	1,575,000
2028	474,000		474,000	375,000	47,250	422,250	51,750	481,394	1,200,000
2029	474,000		474,000	400,000	36,000	436,000	38,000	519,394	800,000
2030	474,000		474,000	400,000	24,000	424,000	50,000	569,394	400,000
2031	474,000		474,000	400,000	12,000	412,000	62,000	631,394	-
2032	474,000		474,000	-	-	-	474,000	1,105,394	-
2033	474,000		474,000	-	-	-	474,000	1,579,394	-
2034	474,000		474,000	-	-	-	474,000	2,053,394	-
2035	474,000		474,000	-	-	-	474,000	2,527,394	-
2036	474,000		474,000	-	-	-	474,000	3,001,394	-
2037	474,000		474,000	-	-	-	474,000	3,475,394	-
2038	474,000		474,000	-	-	-	474,000	3,949,394	-
2039	474,000		474,000	-	-	-	474,000	4,423,394	-
2040	474,000		474,000	-	-	-	474,000	4,897,394	-
Total	7,947,894	159,000	8,106,894	2,650,000	559,500	3,209,500			



IV. Detailed List of Project Costs

Attached is a detailed preliminary cost estimate for the projects necessary to implement the amendment of the plan. All cost estimates are preliminary and have been prepared based upon 2021 prices. The final costs of the projects may be adjusted to reflect design changes and actual construction bids. The timing of the projects is also very preliminary and subject to adjustment based upon implementation of this amendment of the project plan.

This amendment of the project plan is not an appropriation of funds for any specific project. The Village is not obligated to undertake any specific project and each project must be approved by subsequent action of the Village Board. The Village intends to undertake only those projects that remain viable during the implementation of the amendment of the project plan, and may choose to delete projects or change the scope of the projects implemented as they are individually authorized.

The total TIF project costs related to this amendment are limited to \$2,425,000 plus financing related costs. The project costs are identified in the following table. Note that the utilities and road improvement costs will be constructed by the Developer and reimbursed by the Village. The total payment to the Developer will not exceed \$2,425,000.

TIF 7 Creation			
Project	Developer	TIF	Total
Land Acquisition	\$2,135,000		\$2,135,000
Site Work	\$1,271,250		\$1,271,250
Utilities (Water, Sewer, Storm)	\$295,000	\$750,000	\$1,045,000
Road Improvements	\$0	\$950,000	\$950,000
Professional/Municipal Fees/Financing/Development Fees	\$1,118,000	\$200,000	\$1,318,000
Utility Burial/Street Lights	\$360,000		\$360,000
Development Incentive		\$500,000	\$500,000
Administrative Costs		\$25,000	\$25,000
Total	\$5,179,250	\$2,425,000	\$7,604,250

V. Methods of Financing

As previously discussed in the Economic Feasibility Study, the Village has numerous options for financing the improvements required for TID No. 7. These options include general obligation notes and bonds, revenue bonds and special assessment bonds. The Community Development Authority of the Village could also be utilized to issue CDA Lease Revenue Bonds to finance the project costs. The specific method of financing will be determined by the Village during the implementation of this project plan, as amended.

Factors which will be considered in determining the most appropriate method of financing for each individual project will include the amount to be financed, the projects to be financed, the terms required by various development agreements, market conditions, changes in state or federal law and the need for financing municipal improvements which are not a part of this project plan, as amended.

The following pages contain a capitalization and amortization schedule for General Obligation Community Development Notes to be issued in 2021.

General Obligation Community Development Notes (2021)

\$2,650,000

PROPOSED MATURITY SCHEDULE

The 2021 project costs are anticipated to be financed with General Obligation Community Development Notes to be issued under authority of Wisconsin Statutes Chapter 67. The following is the proposed schedule for repayment of project costs using estimated interest rates.

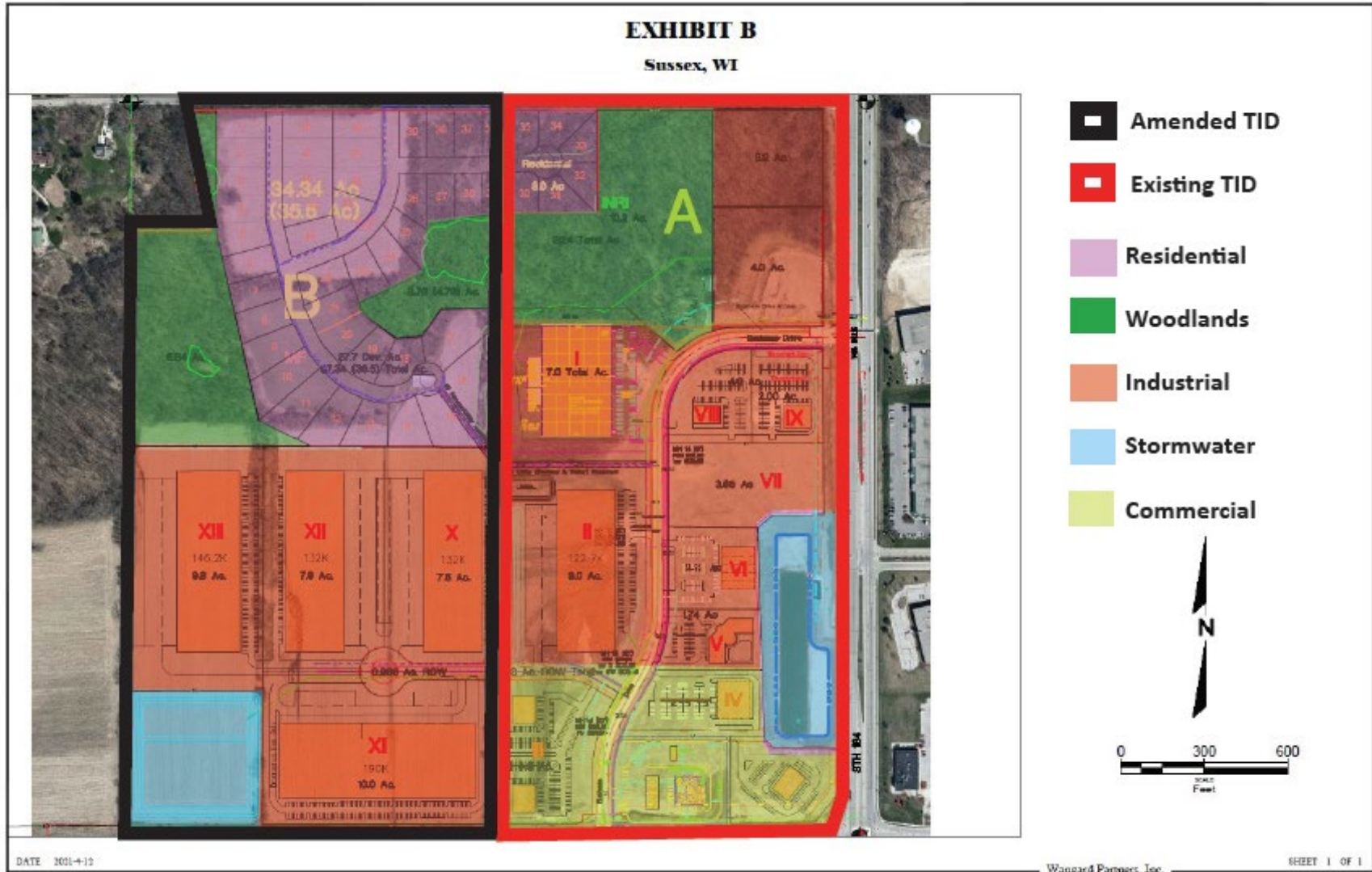
Year	Principal	Interest	Total
2022		79,500	79,500
2023		79,500	79,500
2024	125,000	79,500	204,500
2025	250,000	75,750	325,750
2026	350,000	68,250	418,250
2027	350,000	57,750	407,750
2028	375,000	47,250	422,250
2029	400,000	36,000	436,000
2030	400,000	24,000	424,000
2031	400,000	12,000	412,000
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	2,650,000	559,500	3,209,500

VI. Existing Uses and Conditions



-  Woodlands
-  Agriculture

VII. Proposed Uses and Conditions



VIII. Equalized Value Test

Wisconsin Statutes Section 66.1105(4)(gm)4.c. limits the amount of taxable property value which can be included in a new tax incremental district. When a district's boundaries are amended to add territory, the base value of the additional parcels combined with the increment values of all existing districts (including the District to be amended) cannot exceed 12% of the total equalized value of all taxable property within the Village. As of January 1, 2020, the equalized value of the Village was \$1,533,703,600, and the total increment value of the Village's tax increment districts was \$46,733,600. The total allowable additional value of the amendment is \$184,044,432 ($\$1,533,703,600 \times 12\%$). The estimated base value of the TID No. 7 amendment combined with the Village's current increment value does not exceed this limit.

IX. List of Estimated Non-Project Costs

In addition to the project costs to be paid by the Developer listed in the detailed list of project costs (see Part IV), it is anticipated that private parties will construct buildings with a projected value of \$26,000,000.

X. Proposed Changes in Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances

It is expected that this amended project plan will be complementary to the Village's Master Plan and does not require any proposed changes to the Village's Master Plan. There are no proposed changes to the zoning ordinances, building codes, the map or other Village ordinances for the implementation of this project plan, as amended.

XI. Relocation

It is not anticipated there will be a need to relocate any persons or businesses in conjunction with this project plan, as amended. In the event relocation becomes necessary at some time during the implementation period, the Village will take the following steps and actions.

Before negotiations begin for the acquisition of property or easements, all property owners will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce.

The Village will file a relocation payment plan and relocation assistance service plan with the Department of Commerce and will not proceed with displacement of persons or business concerns until both plans are approved in writing by the Department of Commerce. The Village will also keep records as required in Wisconsin Statutes Section 32.27.

XII. Orderly Development of the Village of Sussex

TID No. 7 and the amended area contribute to the orderly development of the Village by providing the opportunity for continued growth in tax base and job opportunities.

XIII. Attorney Opinion

OPINION OF THE ATTORNEY FOR THE VILLAGE ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES, SECTION 66.1105.

[Insert draft attorney letter when received]

**DEVELOPER'S AGREEMENT FOR
HIGHLANDS BUSINESS PARK B
VILLAGE OF SUSSEX, WAUKESHA COUNTY, WISCONSIN**

THIS AGREEMENT made this _____ day of _____, 2021, between **Sussex Corporate Park II, LLC**, a Wisconsin limited liability company, with offices at 1200 N. Mayfair Road, Suite 310, Milwaukee, WI 53226, hereinafter called "DEVELOPER", and the VILLAGE of Sussex in the County of Waukesha and the State of Wisconsin, hereinafter called the "VILLAGE".

RECITALS:

WHEREAS, the DEVELOPER has acquired approximately 76 acres of land for development recently annexed to the VILLAGE, said land being described on **EXHIBIT A** attached hereto and incorporated herein, hereinafter called "SUBJECT LANDS"; and

WHEREAS, the DEVELOPER desires to sell an approximately 36 acre portion of the SUBJECT LANDS for the development of single family housing by a third party (the "Residential Component") and to develop an approximately 40 acre portion of the SUBJECT LANDS for a Business Park with diverse office, retail and customer service uses, mixed with industrial and manufacturing uses (the "Commercial Component"), all as generally set forth on the alternative conceptual site Master Plans at **EXHIBIT B**, attached hereto and incorporated herein, or other plans as approved by the Plan Commission, hereinafter collectively called "DEVELOPMENT", by use of the standard regulations as set forth in Wisconsin Statutes and the municipal ordinance regulating land division and development; and

WHEREAS, Wisconsin Statutes provide that as a condition of approval, the governing body of a municipality within which the SUBJECT LANDS lie may require that the developer thereof make and install any public improvements reasonably necessary and/or that such developer provide financial security to ensure that the improvements will be made within a reasonable time; and

WHEREAS, said SUBJECT LANDS were, pursuant to Annexation Ordinance 874, temporarily zoned as Agricultural District A-1 and the Residential Component is anticipated to be rezoned to Single-family Residential District and the Commercial Component will be rezoned to BP-1 Business Park District with a Planned Development Overlay (PDO), described in **EXHIBIT C**, attached hereto and incorporated herein, hereafter called "PDO", and

WHEREAS, the PDO is to allow for B-2 uses on the Commercial Component of the SUBJECT LANDS as well as particular and higher design standards beyond the typical standards; and

WHEREAS, VILLAGE and DEVELOPER desire to promote and incentivize those certain uses allowed in the PDO described in **EXHIBIT D**, attached hereto and incorporated herein, hereafter called "Incentivized Uses", and

WHEREAS, the DEVELOPER may be required to grant additional easements over portions of the SUBJECT LANDS for sanitary sewer, storm sewer, water main, and/or sidewalk; and

WHEREAS, the DEVELOPER and VILLAGE desire to ensure that certain public improvements which are reasonably necessary shall be made, installed and dedicated to the VILLAGE as appropriate, provided that said public improvements are constructed to municipal, county, or state specifications as appropriate, all applicable government regulations, this agreement for the Commercial Component and a similar agreement for the Residential Component, and as required by the VILLAGE Engineer, without cost to the VILLAGE, except as expressly set forth herein; and

WHEREAS, this agreement is necessary to implement the VILLAGE zoning and land division ordinances; and

WHEREAS, the DEVELOPER agrees to sell the Residential Component for development to a third party who will enter into an agreement with the VILLAGE for the installation and dedication of necessary public improvements on the Residential Component, and the DEVELOPER will install and dedicate necessary public improvements on the Commercial Component and develop the Commercial Component as herein described in accordance with this agreement, all VILLAGE ordinances and all laws and regulations governing the DEVELOPMENT; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the DEVELOPER does hereby agree to sell the Residential Component and develop the Commercial Component the SUBJECT LANDS as follows and as otherwise regulated by VILLAGE ordinances and all laws and regulations governing the DEVELOPMENT:

SECTION I. IMPROVEMENTS

Except as expressly set forth below, DEVELOPER shall sell the Residential Component and develop the Commercial Component the SUBJECT LANDS and construct the improvements on the Commercial Component in accordance with plans and specifications approved by the VILLAGE as follows:

A. ROADWAY, SIDEWALK, AND PATH IMPROVEMENTS:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, complete, or cause the completion of, the grading, construction, and surfacing of any necessary improvements for roadway, sidewalks and paths as necessitated by VILLAGE approvals, including curbs, gutters and sidewalks, and perform and complete work and improvements, all as shown on and in accordance with approved plans and specifications and subject to the following:

1. Prior to the start of construction of improvements, the DEVELOPER shall provide to the VILLAGE written certification from the DEVELOPER'S Engineer or Surveyor that

all public street and sidewalk plans are in conformance with all federal, state, county and VILLAGE specifications, regulations and ordinances, and written proof from the VILLAGE Engineer and other approving authorities evidencing review and approval of said plans.

2. DEVELOPER shall grade and install all planned public streets, improvements and sidewalks in accordance with the approved plans and specifications on file in the VILLAGE Clerk's office and/or as these plans may be approved subsequent to approval of this Agreement.

3. DEVELOPER shall substantially complete all concrete roadways no later than November 1, 2021 and substantially complete all other improvements no later than November 15, 2021. Substantial completion shall mean that the sewer, storm sewer, water, sidewalks, paths and road improvements are usable for the purpose intended.

4. DEVELOPER shall maintain Village streets, sidewalks and paths, including snowplowing, unless otherwise approved by the VILLAGE Administrator, until accepted by Resolution by the VILLAGE Board. DEVELOPER shall ensure any manholes are appropriately set to grade prior to November 15, 2021 to ensure safe snow plow operations.

5. DEVELOPER shall furnish "as-built" plans showing changes from the construction plans, pursuant to specifications approved by the VILLAGE Engineer. Subject to intellectual property rights, said "as-builts" shall be on reproducible Mylar and in digital file, and shall include field locations and hydrant valves and curb stops, if any.

6. Contractors working on the DEVELOPMENT are required to clean up all mud, dirt, stone or debris on the streets, sidewalks and paths no later than the end of each working day. In addition, DEVELOPER shall have ultimate responsibility for cleaning up any and all mud, dirt, stone or debris on the streets until such time as the final lift of concrete (as noted in the approved plans and specifications) has been installed by DEVELOPER and Final Acceptance is granted by the VILLAGE Board. The DEVELOPER shall clean up the streets, sidewalks and paths within forty-eight (48) hours after receiving a notice from the VILLAGE. If said mud, dirt, stone or debris is not promptly cleaned up after written notification, the VILLAGE may do so at the DEVELOPER's expense, at the option of the VILLAGE. (See also Section XIII(K) below.)

7. DEVELOPER shall provide any easements for the roadway/sidewalk improvements deemed necessary by the VILLAGE at no additional cost to the VILLAGE in a form agreeable to the VILLAGE, and said easements shall be shown on a certified survey map dividing the SUBJECT LANDS (the "CSM") to the extent that such easements are known at the time of the recording of the CSM.

8. If DEVELOPER proceeds with the installation of public improvements or other work on the SUBJECT LANDS prior to approval of any CSM, it proceeds at its own risk as to whether or not the CSM will receive all necessary approvals. DEVELOPER, prior to commencement of the installation of public improvements or other work on the SUBJECT

LANDS, shall notify the VILLAGE of the DEVELOPER's intention to proceed with the installation of public improvements or other work, prior to approval of the CSM. Additionally, DEVELOPER shall make arrangements to have any public improvements and/or other work on-site inspected by the VILLAGE Engineer.

9. Any agreement entered into between a subsequent owner of the Residential Component of the DEVELOPMENT and the VILLAGE shall require a path over the Residential Component as mutually acceptable to such owner, DEVELOPER and the VILLAGE, which path shall connect to a sidewalk on Business Drive.

B. SANITARY SEWER:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, complete, or cause the completion of, the grading, construction, and provision of any necessary improvements to the sanitary sewer system to serve the Commercial Component of the DEVELOPMENT as required by the VILLAGE all as shown on and in accordance with approved plans and specifications and/or as these plans may be approved subsequent to approval of this Agreement, and subject to the following:

1. Prior to the start of construction of improvements, DEVELOPER shall provide to the VILLAGE written certification from the DEVELOPER's Engineer that the sanitary sewer plans are in conformance with all Federal, State and VILLAGE specifications, regulations, ordinances and guidelines and written proof that the VILLAGE Engineer has approved said plans.

2. To construct, furnish, install and provide a complete sewerage system for the Commercial Component of the SUBJECT LANDS, all in accordance with the approved plans and specifications and all applicable Federal, State and VILLAGE ordinances, specifications, regulations and guidelines for the construction of sewerage systems in the VILLAGE and as approved by the VILLAGE Engineer.

3. DEVELOPER shall furnish "as-built" plans of the sanitary sewage system, including locations of laterals to lot lines, show changes from the construction plans, pursuant to specifications that must be approved by the VILLAGE Engineer prior to the issuance of building permits. Subject to intellectual property rights, said "as built" plans shall be on reproducible Mylar and digital file, and shall include field locations of laterals, if any.

4. The sanitary sewer system shall be inspected by video recording in accordance with industry standards to ensure the sewer lines are free from defects and contain no blockages. The video of such inspection shall be provided to the Village Engineer prior to acceptance of the improvements. DEVELOPER shall be responsible for the repair of any defects as determined by the VILLAGE Engineer prior to the acceptance of the improvements by the VILLAGE.

5. DEVELOPER shall provide any easements for the sanitary improvements deemed necessary by the VILLAGE at no additional cost to the VILLAGE in a form agreeable to the VILLAGE, and such easements shall be shown on the CSM to the extent that such easements are known at the time of recording of the CSM.

C. WATER:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, complete, or cause the completion of, the grading, construction, and provision of any necessary improvements to the water system to serve the Commercial Component of the DEVELOPMENT as required by the VILLAGE all as shown on and in accordance with approved plans and specifications and/or as these plans may be approved subsequent to approval of this Agreement, and subject to the following:

1. Prior to the start of construction of improvements, DEVELOPER shall provide to the VILLAGE written certification from the DEVELOPER's Engineer that the water plans are in conformance with all Federal, State and VILLAGE specifications, regulations, ordinances and guidelines and written proof that the VILLAGE Engineer has approved said plans.

2. To construct, furnish, install and provide a complete water system for the Commercial Component of the SUBJECT LANDS, all in accordance with the approved plans and specifications and all applicable Federal, State and VILLAGE ordinances, specifications, regulations and guidelines for the construction of water systems in the VILLAGE and as approved by the VILLAGE Engineer.

3. DEVELOPER shall furnish "as-built" plans showing changes from the construction plans, pursuant to specifications approved by the VILLAGE Engineer. Subject to intellectual property rights, said "as built" plans shall be on reproducible Mylar and digital file, and shall include field locations, laterals, hydrant valves and curb stops, if any.

4. Prior to the end of the two year warranty period for improvements, if damage has occurred to the exterior of the hydrants, the hydrants shall be sandblasted and repainted at DEVELOPER's cost to address any damage done to the paint of the Hydrant by development or building construction on the Commercial Component of the DEVELOPMENT.

5. DEVELOPER shall provide any easements for the water improvements deemed necessary by the VILLAGE at no additional cost to the VILLAGE in a form agreeable to the VILLAGE, and such easements shall be shown on the CSM to the extent that such easements are known at the time of recording of the CSM.

D. SURFACE AND STORMWATER DRAINAGE:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, complete, or cause the

completion of, the construction, installation, and provision of adequate facilities for storm and surface water drainage in accordance with the approved plans and specifications and/or as these plans may be approved subsequent to approval of this Agreement, subject to the following:

1. Prior to the start of construction of improvements, DEVELOPER shall provide to the VILLAGE written certification from the DEVELOPER's Engineer that the stormwater plans are in conformance with all Federal, State and VILLAGE specifications, regulations, ordinances and guidelines and written proof that the VILLAGE Engineer has approved said plans.

2. To construct, furnish, install and provide a complete stormwater system for the Commercial Component of the SUBJECT LANDS, including a stormwater pond common to the entire DEVELOPMENT, all in accordance with the approved plans and specifications and drawings on file in the VILLAGE Clerk's office and/or as these plans may be approved subsequent to approval of this Agreement, and all applicable Federal, State and VILLAGE ordinances, specifications, regulations and guidelines for the construction of stormwater systems in the VILLAGE and as approved by the VILLAGE Engineer.

3. DEVELOPER agrees that the site grading and construction of surface and stormwater drainage facilities shall be completed for the Commercial Component of the SUBJECT LANDS and the stormwater pond common to the entire DEVELOPMENT, including the cleaning of all storm sewers, prior to the issuance of occupancy permit(s) for the Commercial Component of the SUBJECT LANDS.

4. Upon completion, DEVELOPER shall transfer to the VILLAGE ownership of the stormwater pond generally depicted on **EXHIBIT B** provided that DEVELOPER shall remain responsible, unless otherwise approved by the VILLAGE, for the maintenance, operation, and replacement of all storm/surface water facilities (including detention and retention facilities and appurtenant equipment) outside of the right of way, or within outlots. The maintenance obligations shall be set forth in the VILLAGE approved maintenance agreement attached hereto as **EXHIBIT E** and to be recorded with the Waukesha County Register of Deeds, and owners of the SUBJECT LANDS shall be assessed a proportionate share of the costs arising from such obligations, based on buildable acreage of the SUBJECT LANDS owned. Maintenance obligations shall include, but not be limited to, the responsibility for, on a routine and emergency basis, as needed, conducting all dredging and/or cleaning of the storm/surface water facilities and equipment to assure that they perform in accordance with the approved plans and specifications.

5. If it is determined by a civil engineer licensed in the State of Wisconsin who is mutually acceptable to the VILLAGE and the DEVELOPER that the surface and stormwater drainage plan as constructed in the Commercial Component of the DEVELOPMENT on the SUBJECT LANDS does not provide stormwater management for the Commercial Component consistent with all Federal, State and VILLAGE ordinances, specifications, regulations and guidelines, the VILLAGE shall, not later than two (2) years following

completion of the improvements described in this Subsection I(D), provide written notice to the DEVELOPER of any remedial measures recommended by such engineer, and the DEVELOPER shall implement such remedial measures not later than 60 days following receipt of such notice, or as soon thereafter as weather permits.

6. To furnish "as-built" plans of the entire drainage system constructed under this Subsection I(D), pursuant to specifications approved by the VILLAGE Engineer prior to the issuance of occupancy permits. Subject to intellectual property rights, said "as built" plans shall be on reproducible Mylar and digital file, and shall include field locations and hydrant valves and curb stops, if any.

7. DEVELOPER shall provide the VILLAGE easements for surface and stormwater drainage deemed necessary by the VILLAGE, at no additional cost to the VILLAGE in a form agreeable to the VILLAGE, and said easements shall be shown on the CSM to the extent that such easements are known at the time of the recording of the CSM.

E. GRADING, EROSION AND SILT CONTROL:

DEVELOPER shall grade, and maintain all required erosion and sediment control measures on the Commercial Component of the SUBJECT LANDS in accordance with the approved plans and specifications and/or as these plans may be approved subsequent to approval of this Agreement, subject to the following:

1. Prior to commencing site grading and excavation, the DEVELOPER shall provide to the VILLAGE written certification from the DEVELOPER'S Engineer or Surveyor that said plan, once implemented, shall meet all federal, state, county and local regulations, guidelines, specifications, laws and ordinances, including proof of notification of land disturbances to the State of Wisconsin Department of Natural Resources, if applicable, and written proof that the VILLAGE Engineer and the Wisconsin Department of Natural Resources, and the Army Corps of Engineers, if applicable, have approved said plans.

2. DEVELOPER shall cause all grading, excavation, open cuts, side slopes and other land surface disturbances to be so seeded and mulched, sodded or otherwise protected that erosion, siltation, sedimentation and washing are prevented in accordance with the plans and specifications reviewed and approved by the VILLAGE Engineer, the Wisconsin Department of Natural Resources, and Army Corps of Engineers, if applicable.

3. All disturbed areas shall be restored to the satisfaction of the VILLAGE Engineer within seven (7) days of disturbance, if the area has not been worked on within seven days.

F. LANDSCAPING AND SITE WORK:

DEVELOPER, as owner and upon transfer of ownership, its heirs, successors and assigns running with the SUBJECT LANDS shall, at its sole cost and expense, grade, seed, and otherwise landscape the Commercial Component of the SUBJECT LANDS subject to the following:

1. DEVELOPER shall provide and plant all trees/shrubs/plantings identified on the landscape plan for the Commercial Component attached hereto as **EXHIBIT F**. Said plans may be amended if approved by the VILLAGE upon request of the DEVELOPER, which approval shall not be unreasonably withheld, conditioned or delayed.

2. DEVELOPER, as required by the VILLAGE, shall remove and lawfully dispose of buildings, destroyed trees, brush, tree trunks, shrubs and other natural growth and all rubbish on the Commercial Component. Removal of unwanted items, including buildings, shall be completed and must be certified as complete by the VILLAGE Engineer prior to the issuance of any occupancy permits.

3. DEVELOPER shall delineate all wetlands that are on or adjacent to private lots by means of cedar posts, as approved by the VILLAGE staff prior to the issuance of building permits.

4. The Association formed by DEVELOPER under Section XIII(O) below shall ensure owners maintain the landscaping features as shown on **EXHIBIT F**. Any landscape area within rights of way shall provide for proper easement and maintenance requirements in a form approved by the VILLAGE and attached hereto at **EXHIBIT G**, and said easements shall be shown on the CSM to the extent that such easements are known at the time of the recording of the CSM.

5. The DEVELOPER shall establish Street Trees per the street tree plan attached hereto at **EXHIBIT H**. The Street Trees shall be established only within the appropriate times per year as listed on the plan and the trees shall not be installed until construction activity is completed in the area as determined by the VILLAGE to avoid damage from construction. Street Trees shall be maintained by the DEVELOPER until the warranty period ends for said STREET Trees unless otherwise approved by the VILLAGE Board.

G. STREET SIGNS AND TRAFFIC CONTROL SIGNS:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, install or cause the installation of all necessary street and traffic control signs on or adjacent to the SUBJECT LANDS as required by the VILLAGE, subject to the following:

1. Street signs and traffic control signs as required by the VILLAGE for the DEVELOPMENT of the SUBJECT LANDS shall be obtained and placed by the VILLAGE, or by the DEVELOPER with approval of the VILLAGE.

2. All traffic control signs and street signs, as required by the VILLAGE, will be installed within twenty (20) working days of completion of the roadway.

H. STREET LIGHTS AND UTILITY BURIAL:

DEVELOPER shall, at Developer's sole cost and expense except to the extent that the Village is obligated to make payments pursuant to this agreement, install, or cause the

installation of, all necessary street lights and bury, or cause the burial of, all above ground utilities running in or adjacent to the SUBJECT LANDS as required by the VILLAGE, as shown on and in accordance with approved plans and specifications and/or as these plans may be approved subsequent to approval of this Agreement, and subject to the following:

1. DEVELOPER shall install or cause the installation of a street lighting system in the DEVELOPMENT according to a plan attached hereto as **EXHIBIT I**.

2. DEVELOPER shall realize the burial of all above ground utilities running in or adjacent to SUBJECT LANDS. This is primarily, but may not be exclusively, the utility lines running along County Highway K from the eastern boundary of the SUBJECT LANDS to the western boundary of the SUBJECT LANDS. The plan for said burial is attached hereto as **EXHIBIT J**.

3. DEVELOPER shall also ensure all non-VILLAGE utilities including, but not limited to gas, electric, phone, internet, and cable, being installed within the DEVELOPMENT are installed underground per VILLAGE standards.

I. ADDITIONAL IMPROVEMENTS:

DEVELOPER hereby agrees that if, at any time after plan approval and during construction of the Commercial Component of the DEVELOPMENT, the VILLAGE Engineer reasonably determines that modifications to the plans including additional stormwater improvements such as additional drainage ways, erosion control measures, and surface and stormwater management measures are necessary in order to comply with applicable laws or are necessary for public safety or for implementation of the original intent of the improvement plans as approved by the VILLAGE Engineer, the VILLAGE is authorized to order DEVELOPER, at DEVELOPER'S expense, to implement the same. If DEVELOPER fails to make appropriate modifications under the circumstances, the VILLAGE may cause such work to be carried out and shall charge actual third party costs for such work plus the VILLAGE Administrative costs for the same against the financial guarantee held by the VILLAGE pursuant to this agreement.

SECTION II. TIME OF COMPLETION OF IMPROVEMENTS:

The improvements set forth in Section I shall be substantially completed by the DEVELOPER not later than November 15, 2021, except that all concrete roadways shall be substantially complete not later than November 1, 2021. Substantial completion shall mean the sewer, storm sewer, water, sidewalks, paths and road improvements are usable for the purpose intended.

SECTION III. FINAL ACCEPTANCE.

Throughout this agreement, various stages of the DEVELOPMENT will require approval by the VILLAGE. "Final Acceptance" as used herein, however, shall be the ultimate acceptance of all of the public improvements described in Section I as a whole, and shall be granted specifically by separate resolution of the VILLAGE Board. The two-year guarantee period provided for in this agreement shall not commence to run until Final Acceptance. The issuance of building permits and approval of various items of DEVELOPMENT shall not commence the two-year guarantee period.

SECTION IV. DEDICATION OF IMPROVEMENTS:

Subject to all of the other provisions of this agreement, the DEVELOPER shall, without additional charge to the VILLAGE, upon completion of the above described improvements, unconditionally give, grant, convey and fully dedicate the public improvements to the VILLAGE, its successors and assigns, forever, free and clear of all encumbrances whatever, together with and including, without limitation because of enumeration, any and all land, buildings, structures, mains, conduits, pipes, lines, plant machinery, equipment, appurtenances and hereditaments which may in any way be a part of or pertain to such improvements and together with any and all necessary easements for access thereto. After such dedication, the VILLAGE shall have the right to connect or integrate other improvements as the VILLAGE decides, with no payment or award to, or consent required of, the DEVELOPER.

Dedication shall not constitute acceptance of any improvement by the VILLAGE Board. All improvements will be accepted by the VILLAGE Board by separate resolution at such time as such improvements are in acceptable form and according to the VILLAGE specifications. Said resolution shall be recorded, if needed, with the Waukesha County Register of Deeds. DEVELOPER will furnish proof to the VILLAGE, prior to the dedication required, that the public land and improvements proposed for dedication are free of all liens, claims and encumbrances, including mortgages.

SECTION V. ACCEPTANCE OF WORK AND DEDICATION:

When the DEVELOPER shall have completed the improvements herein required and shall have dedicated the same to the VILLAGE as set forth herein, the same shall be accepted by the VILLAGE Board if said improvements have been completed as required by this agreement and as required by all federal, state, county or VILLAGE guidelines, specifications, regulations, laws and ordinances and approved by the VILLAGE Engineer, which approval shall not be unreasonably withheld, conditioned or delayed.

SECTION VI. APPROVAL BY VILLAGE NOT TO BE DEEMED A WAIVER.

During the two year guarantee period described in Section VII below, DEVELOPER shall be responsible for the proper design and installation of streets, water facilities, drainage facilities, ditches, landscaping and all other improvements required to be installed by the DEVELOPER in this agreement. The fact that the VILLAGE or its engineer, or its attorney, or its staff may approve a specific project shall not constitute a waiver, or relieve the DEVELOPER from responsibility during the two year guarantee period for the design, performance and function of the Commercial Component of the DEVELOPMENT and related infrastructure.

SECTION VII. GUARANTEES OF IMPROVEMENTS:

A. Guarantee. DEVELOPER shall guarantee after Final Acceptance, the public improvements described in Section I hereof, against defects due to faulty materials or workmanship, provided that such defects appear within a period of two (2) years from the date of Final Acceptance (“Guarantee Period”) by providing the Village with cash or letter of credit in a form acceptable to the Village Attorney in an aggregate amount of 10 percent of the total costs of the public improvements. The

DEVELOPER shall pay for any damages to VILLAGE property and/or improvements resulting from such faulty materials or workmanship during the Guarantee Period. This guarantee shall not be a bar to any action the VILLAGE might have for negligent workmanship or defective materials; Wisconsin law on negligence shall govern such situations. If the DEVELOPER fails to pay for any damages or defects to VILLAGE property and/or improvements, and the VILLAGE is required to draw against the cash or letter of credit on file with the VILLAGE, the DEVELOPER is required to replenish said monies up to the aggregate amount of ten percent (10%) of the total cost of all improvements.

B. Obligation to Repair. The DEVELOPER shall make or cause to be made, at its own expense, any and all repairs which may become necessary under and by virtue of the DEVELOPER'S guarantee and shall leave the improvements in good and workmanlike condition, satisfactory to the VILLAGE Board at the expiration of the guarantee period.

C. Notice of Repair. If during said Guarantee Period, the public improvements shall, in the reasonable opinion of the VILLAGE Engineer, require any repair or replacement which, in their judgment, is necessitated by reason of settlement of foundation, structure of backfill, or other defective materials or workmanship, the DEVELOPER shall, upon written notification by the VILLAGE of the necessity for such repair or replacement, make such repair or replacement, at its own cost and expense within a reasonable amount of time. Should the DEVELOPER fail to make such repair or replacement within a reasonable amount of time, after notice has been sent as provided herein, the VILLAGE Board may cause such work to be done, but has no obligation to do so, either by contract or otherwise, and the VILLAGE Board may draw upon such guarantee security to pay any costs or expenses incurred in connection with such repairs or replacements. Should the VILLAGE Board incur costs and expenses in repairing or replacing any portion of the improvements covered by this guarantee in excess of the amount of the guarantee security, then the DEVELOPER shall pay any excess cost or expense incurred in the correction process within 45 days of date of invoice by VILLAGE.

D. Maintenance Prior to Acceptance.

1. All public improvements required under Section I above shall be maintained by the DEVELOPER so they conform to the approved plans and specifications until the time of their Final Acceptance by the VILLAGE Board. This maintenance shall include routine maintenance. In cases where emergency maintenance is required, the VILLAGE Board retains the right to complete the required emergency maintenance in a timely fashion and bill the DEVELOPER for the actual costs of such work. Said bill shall be paid by DEVELOPER within 45 days of invoice by the VILLAGE. The DEVELOPER'S obligation to maintain all improvements shall expire at the expiration of the Guarantee Period.
2. Street sweeping and dust suppression shall be done by the DEVELOPER on a regular basis as needed to ensure a reasonably clean and safe roadway until approved by the VILLAGE Administrator. Should the DEVELOPER fail to meet this requirement, the VILLAGE Board will cause the work to be done and will bill the DEVELOPER on a

time and material basis. Said bill shall be paid by DEVELOPER within 45 days of invoice by the VILLAGE.

3. In the event drainage problems arise within the Commercial Component of the SUBJECT LANDS, the DEVELOPER shall correct such problems to the satisfaction of the VILLAGE Engineer. Such correction measures shall include, without limitation because of enumeration, cleaning of soil, loose aggregate and construction debris from culverts, drainage ditches and streets; dredging and reshaping of siltation or retention ponds; replacing of siltation fences; sodding and seeding; construction of diversion ditches, ponds and siltation traps; and restoration of all disturbed areas. This responsibility shall continue until such time as the roads, ditches, and other disturbed areas have become adequately vegetated and the VILLAGE Board is satisfied that the DEVELOPER has restored all areas which were disturbed because of the Commercial Component of this DEVELOPMENT, but in no event shall continue past the expiration of the Guarantee Period.

SECTION VIII. VILLAGE RESPONSIBILITY FOR IMPROVEMENTS:

The VILLAGE shall not be responsible to perform repair, maintenance, or snow plowing, unless otherwise approved by the VILLAGE Administrator, on any public improvements until accepted by the VILLAGE Board.

SECTION IX. TAX INCREMENT FINANCING:

DEVELOPER and the VILLAGE have agreed that the boundary of Tax Increment District No. 7 (the "TID") shall be amended prior to September 1, 2021 to include the SUBJECT LANDS, such that certain costs relating to the DEVELOPMENT shall be TID-eligible project costs and the SUBJECT LANDS shall generate "tax increment", as defined in Wis. Stat. sec. 66.1105(2)(i) (the "Tax Increment"). The VILLAGE shall obtain or provide financing for the following TID-eligible project costs and repay the same from Tax Increment generated from the SUBJECT LANDS:

A. VILLAGE fees and expenses relating to the Commercial Component of the DEVELOPMENT, not to exceed \$200,000, but including application fees, inspection fees, review fees, tree mitigation fees, and/or any conversion charge coming due under Wis. Stat. sec. 74.485 as a result of the uses of the Commercial Component of the SUBJECT LANDS being converted from uses previously assessed as agricultural land. The VILLAGE shall not assess any of the fees or charges described in this subsection against the Commercial Component of the SUBJECT LANDS or the DEVELOPER, and the VILLAGE shall pay directly any conversion charge coming due under Wis. Stat. sec. 74.485 as a result of a change in the use of the Commercial Component of the SUBJECT LANDS unless the total of fees and charges exceeds \$200,000.

B. Costs for those infrastructure improvements generally depicted on the attached **EXHIBIT B**, which costs are enumerated on the attached **EXHIBIT K** (the "Infrastructure"), but in no event exceeding an aggregate amount of \$2,200,000 (provided that some enumerated amounts may be higher and some may be lower so long as the aggregate amount of Infrastructure costs paid by the VILLAGE does not exceed \$2,200,000). DEVELOPER shall cause installation of the Infrastructure in accordance with Village approved plans and specifications and this agreement, and shall cause the same to be dedicated to the VILLAGE in accordance with VILLAGE inspection and

acceptance procedures, subject to the VILLAGE making payments amounting to \$2,200,000 for the Infrastructure and DEVELOPER paying all Infrastructure costs in excess of \$2,200,000. DEVELOPER shall submit contractor invoices to the VILLAGE as Infrastructure is complete, and the VILLAGE shall pay such invoices directly to contractors within forty-five days following receipt, unless DEVELOPER is materially in default under this agreement beyond any applicable notice and cure period in which case the VILLAGE may defer any payment until DEVELOPER's default is cured. The \$2,200,000 Infrastructure costs to be paid by the VILLAGE must be substantially incurred in one calendar year and are estimated to come due in 2021. The DEVELOPER shall provide the VILLAGE access to all contracts, invoices, books and records associated with the Infrastructure. The VILLAGE shall not specially assess the SUBJECT LANDS to recoup any Infrastructure costs.

SECTION X. DEVELOPER'S SECURED OBLIGATIONS AND FINANCIAL GUARANTEE:

As a pre-condition to submitting to the VILLAGE an invoice for payment of Infrastructure costs under Subsection IX(B) above, the DEVELOPER shall file with the VILLAGE a letter of credit substantially in the form attached hereto as **EXHIBIT L** (the "LOC"), in the initial amount equal to \$1,200,000, which amount shall be reduced periodically as set forth below to secure DEVELOPER's annual liabilities under Subsections A and B below and subject to adjustment under the terms of this Section. The LOC shall be a guarantee that the DEVELOPER shall cause the following terms of this agreement to be performed, provided that the LOC shall secure exclusively the obligations set forth in Subsections A and B below.

A. DEVELOPER shall cause not less than 300,000 square feet of any buildings constructed in connection with the Commercial Component of the SUBJECT LANDS to be used for Incentivized Uses listed on **EXHIBIT D** or similar or accessory uses approved by the VILLAGE Administrator from time to time. All square footage on the Commercial Component of the SUBJECT LANDS conveyed or leased for Incentivized Uses by DEVELOPER shall be counted as Incentivized Uses, even if any such use changes after all obligations of the DEVELOPER under Section I of this agreement have been fulfilled. If the VILLAGE has funded all TID-eligible project costs described in Section IX above and at least 300,000 square feet of building area, cumulatively, have not been used for Incentivized Uses as of the December 31, 2028, DEVELOPER shall be liable to pay to the VILLAGE the sum of \$500,000. VILLAGE shall provide DEVELOPER at least 60 days' advance written notice when VILLAGE has reasonably determined that DEVELOPER is liable for the \$500,000 repayment under this Subsection. If DEVELOPER is unable to demonstrate achievement of 300,000 square feet of Incentivized Uses within the Commercial Component of the Subject Lands within such 60 day notice period, the VILLAGE may, following an additional 30 days written notice to DEVELOPER, draw the sum of \$500,000 from the LOC. The DEVELOPER's obligations under this Subsection shall be deemed satisfied, and the requirement that the LOC be maintained at the amount of \$500,000 also shall terminate, when at least 300,000 square feet of building area, cumulatively, have qualified under this Subsection as used for Incentivized Uses.

B. DEVELOPER shall pay the VILLAGE any amount (the “Shortfall”) by which (i) the “Annual Payment” due from the VILLAGE to fund the VILLAGE’s obligations under SUBSECTION IX(B) above (also listed as “Annual Payments” in the fifth column of the chart below), exceeds (ii) the amount of annual Tax Increment generated by the SUBJECT LANDS, including both the Residential Component and the Commercial Component of the DEVELOPMENT:

YEAR	DEBT	PRINCIPAL	INTEREST	ANNUAL PAYMENTS
2021	\$2,000,000	-	\$90,000	-
2022	\$2,090,000	-	\$62,700	\$62,700
2023	\$2,590,000	\$75,000	\$77,700	\$152,700
2024	\$2,515,000	\$75,000	\$77,950	\$152,950
2025	\$2,440,000	\$200,000	\$73,200	\$273,200
2026	\$2,240,000	\$325,000	\$67,200	\$392,200
2027	\$1,915,000	\$375,000	\$57,450	\$432,450
2028	\$1,540,000	\$375,000	\$46,200	\$421,200
2029	\$1,165,000	\$375,000	\$34,950	\$409,950
2030	\$790,000	\$375,000	\$23,700	\$398,700
2031	\$415,000	\$415,000	\$12,450	\$427,450
TOTAL		\$2,590,000	\$623,500	

By way of example only, in Year 2026 when an Annual Payment of \$392,200 is due, if the SUBJECT LANDS are then assessed at \$10,000,000, multiplying that value increment by a mill rate of \$15.80 per \$1000 of assessed value would generate Tax Increment of \$158,000; in which case, DEVELOPER must pay the VILLAGE a Shortfall of the \$392,200 Annual Payment less Tax Increment of \$158,000 or \$234,200. Any Shortfall payments due from DEVELOPER under this Subsection B shall be due when annual property taxes on the SUBJECT LANDS are due.

\$700,000 of the LOC, in the initial amount of \$1,200,000, shall secure DEVELOPER’s liability for Shortfalls under this Subsection B. If DEVELOPER fails to timely pay any Shortfall when due, the VILLAGE may draw the Shortfall from the LOC, and DEVELOPER shall replenish the amount drawn from the LOC. DEVELOPER’s liability for a Shortfall (and the LOC amount) shall be reduced each year to reflect the proportion of value increment relative to \$26,000,000 generating Tax Increment in the prior year. Also by way of example only, if in Year 2026, the SUBJECT LANDS are then assessed at \$10,000,000, the proportionate reduction in the \$700,000 amount of the LOC securing Shortfalls under this Subsection B would be $\frac{10,000,000}{26,000,000}$ or 38.46 percent, such that the amount of the LOC shall be reduced by $.3846(\$700,000)$ or by \$269,231 and the total \$1,200,000 LOC amount is reduced to \$930,769. DEVELOPER’s liability under this Subsection, and any LOC security required under this Subsection shall terminate on the earlier to occur of (i) repayment of all financing incurred by the VILLAGE to pay TID project costs under Section IX above, or (ii) the year in which the SUBJECT LANDS (including both the Residential Component and the Commercial Component of the DEVELOPMENT) are assessed at not less than

\$26,000,000. Any Shortfall payment made by DEVELOPER or drawn by the VILLAGE from the LOC shall be refunded by the VILLAGE to the DEVELOPER to the extent that Tax Increment generated from the SUBJECT LANDS in future years ending prior to January 1, 2031, exceeds the amount of Tax Increment that would have been generated if the SUBJECT LANDS would have been assessed at \$26,000,000.

C. The LOC with the VILLAGE shall be renewed automatically for the period, commencing with DEVELOPER's submission to the VILLAGE of an invoice for payment of Infrastructure costs in excess of \$1,700,000, and extending through termination of DEVELOPER's obligations under Subsections A and B above. The VILLAGE also may draw on the LOC if the LOC on file with the VILLAGE is dated to expire thirty (30) days prior to the expiration of the same and the same has not been extended, renewed, or replaced.

SECTION XI. OCCUPANCY PERMITS:

It is expressly understood and agreed that, unless otherwise expressly authorized above, or agreed to in writing by the VILLAGE Administrator upon request by the DEVELOPER, no occupancy permit shall be issued for any building(s) in the Commercial Component of the DEVELOPMENT unless otherwise authorized by the VILLAGE Administrator, until the VILLAGE Engineer has determined that:

- A. The installation of the public improvements serving the SUBJECT LANDS for which an occupancy permit is requested has been completed and accepted by the VILLAGE Board.
- B. The site grading and construction of surface and stormwater drainage facilities required to serve such building(s) are completed, are connected with an operating system as required herein, are cleaned as needed, and are accepted by the VILLAGE Board.
- C. All removal of unwanted items, including buildings, on the appropriate building site have been certified as complete by the VILLAGE Engineer.
- D. All required grading plans for the Commercial Component have been submitted to, reviewed by and approved by the VILLAGE Engineer.
- E. DEVELOPER has prepared appropriate deed restrictions and or easements which are approved by the VILLAGE, filed with the VILLAGE Clerk and recorded with the Register of Deeds.
- F. All destroyed trees, brush, tree trunks, shrubs and other natural growth and all rubbish are removed from the Commercial Component of the DEVELOPMENT and disposed of lawfully. The DEVELOPER shall have the right to grind down trees, brush, tree trunks, shrubs and other natural growth and distribute the chips upon the SUBJECT LANDS.
- G. All required "as built" plans for the SUBJECT LANDS have been submitted and approved by the VILLAGE Engineer, which approval shall not be unreasonably withheld, conditioned or delayed.

H. All public and private utilities have been installed in the Commercial Component of the SUBJECT LANDS, including street lighting fixtures, utility burial of existing above ground facilities subject to Section 1(H)(2), above, the sanitary sewer system, and the water system and power burial.

I. DEVELOPER is not in default of any aspect of this agreement as determined by the VILLAGE Administrator.

SECTION XII. RESERVATION OF RIGHTS AS TO ISSUANCE OF BUILDING or OCCUPANCY PERMITS:

The VILLAGE reserves the right to withhold issuance of a Building or Occupancy Permit if DEVELOPER is in violation of this agreement beyond any applicable cure period.

SECTION XIII. MISCELLANEOUS REQUIREMENTS

DEVELOPER shall:

A. EASEMENTS:

DEVELOPER shall provide any easements including vision easements on SUBJECT LANDS deemed necessary by the VILLAGE Engineer and such easements shall be along lot lines if at all possible. In particular, easements may be necessary for the sidewalk, and stormwater, and private utilities.

B. MANNER OF PERFORMANCE:

Cause all construction called for by this agreement to be carried out and performed in a good and workmanlike manner.

C. SURVEY MONUMENTS:

Properly place and install any lot, block or other monuments required by State Statute, VILLAGE Ordinance or the VILLAGE Engineer.

D. GRADES:

Prior to the issuance of a building permit the DEVELOPER or their agent shall furnish to the Building Inspector of the VILLAGE a copy of the stake out survey showing the street grade in front of the lot, the finished yard grade, the grade of all four corners of the building, and the building corner grades of the adjacent buildings where applicable, as existing and as proposed.

E. RESERVE CAPACITY ASSESSMENTS – SANITARY SEWER:

The municipality shall levy assessments for the costs of reserve capacity created by the VILLAGE in the VILLAGE's sanitary sewerage collection and treatment facilities for the benefit of the DEVELOPER in conformity with this agreement pursuant to Chapter 66 Subchapter VII, Wisconsin Statutes.

The DEVELOPER hereby waives, pursuant to Section 66.0703(7)(b), Wisconsin Statutes, any and all requirements of the Wisconsin Statutes which must be met prior to the imposition of special

assessments (including, but not limited to, the notice and hearing requirements of Chapter 66 Subchapter VII) and agrees that the municipality may proceed immediately to levy the special assessments as outlined herein.

The DEVELOPER further waives its right to appeal from the special assessments and stipulates that the amount of special assessment levied against its property has been determined on a reasonable basis and that the benefits to its property from the proposed improvements exceed the amount of the special assessment against such property. In addition, the DEVELOPER waives its right under Section 66.0627 and agrees to promptly pay any special charges which may be levied against its property. The municipality shall levy such assessments in conformity with this agreement, pursuant to Chapter 66 Subchapter VII and Section 66.0627, Wisconsin Statutes.

The DEVELOPER and VILLAGE acknowledge that the amount of the RCA for Sanitary Sewer is determined based upon the expected use of the sewer system by the user seeking to operate on a lot in the Commercial Component of the DEVELOPMENT and therefore the amount of the RCA charge shall be determined in conjunction with the issuance of a building permit and shall be paid by the user prior to the issuance of the building permit.

F. RESERVE CAPACITY ASSESSMENTS-WATER:

The Municipality shall levy assessments for the costs of reserve capacity created by the VILLAGE in the VILLAGE's water system for the benefit of the DEVELOPER in conformity with this agreement, pursuant to Chapter 66 Subchapter VII, Wisconsin Statutes.

The DEVELOPER hereby waives, pursuant to Section 66.0703(7)(b), Wisconsin Statutes, any and all requirements of the Wisconsin Statutes which must be met prior to the imposition of special assessments (including, but not limited to, the notice and hearing requirements of Chapter 66 Chapter VII) and agrees that the municipality may proceed immediately to levy the special assessments as outlined herein. The DEVELOPER further waives its right to appeal from the special assessments and stipulates that the amount of the special assessments levied against its property has been determined on a reasonable basis and that the benefits to its property from the proposed improvements exceed the amount of the special assessment against such property. In addition, the DEVELOPER waives its rights under Section 66.0627 and agrees to promptly pay any special charges which may be levied against its property. The municipality shall levy such assessments in conformity with this agreement, pursuant to Chapter 66 Subchapter VII and Section 66.0627, Wisconsin Statutes.

The DEVELOPER and VILLAGE acknowledge that the amount of the RCA for Water is determined based upon the expected use of the water system by the user seeking to operate on a lot in the Commercial Component of the DEVELOPMENT and therefore the amount of the RCA charge shall be determined in conjunction with the issuance of a building permit and shall be paid by the user prior to the issuance of the building permit.

G. PERMITS:

Upon request by the VILLAGE, DEVELOPER shall provide and submit to the VILLAGE valid copies of any and all governmental agency permits.

H. REMOVAL OF TOPSOIL:

DEVELOPER agrees that no topsoil shall be removed from the Commercial Component of the SUBJECT LANDS without approval from the VILLAGE Engineer.

I. NOISE:

DEVELOPER shall make good faith efforts to minimize noise, dust and similar disturbances, recognizing that the SUBJECT LANDS are located near existing residences. Construction of improvements shall not begin before 7:00 a.m. and shall not continue beyond 7:00 p.m. weekdays without prior written approval of the Village Engineer. Saturday and Sunday working hours shall not begin before 8:00 a.m. and shall not continue beyond 4:00 p.m. There shall be no work on holidays.

J. DEBRIS:

The DEVELOPER shall have ultimate responsibility for cleaning up debris that has blown from buildings under construction within Commercial Component of the SUBJECT LANDS until such time as all improvements have been installed and accepted by the VILLAGE Board. The VILLAGE shall make a reasonable effort to require the contractor, who is responsible for the debris, to clean up the same or to hold the subject property owner who hired the contractor responsible. The DEVELOPER and/or subject property owner shall clean up the debris within seventy-two (72) hours after receiving a notice from the VILLAGE Engineer. If said debris is not cleaned up after notification, the VILLAGE will do so at the subject property owner's expense.

K. DUTY TO CLEAN ROADWAYS:

DEVELOPER shall be responsible for cleaning up the mud and dirt on the roadways until such time as the final lift of concrete has been installed. DEVELOPER shall clean the roadways within forth-eight (48) hours after receiving a notice from the VILLAGE Engineer. If said mud, dirt and stone is not cleaned up after written notification, the VILLAGE may do so at the DEVELOPER's expense. The VILLAGE will do its best to enforce existing ordinances that require builders to clean up their mud from construction. (See also Section I(A)(6) above.)

L. PUBLIC CONSTRUCTION PROJECTS:

If any aspect of the DEVELOPMENT involves a public construction project subject to the State law, all requirements of the State Public Construction Bidding Law must be satisfied, including but not limited to, providing a performance bond.

M. ZONING CODE:

DEVELOPER acknowledges that the lands to be developed are subject to the VILLAGE's Zoning Code.

N. AGRICULTURE USE. While the SUBJECT LANDS may be used for agricultural purposes for weed control and other maintenance purposes, upon the VILLAGE's payment of the conversion charge under Section IX(A) above, the SUBJECT LANDS shall not be assessed under Wis. Stat. sec. 74.485.

O. ESTABLISHMENT OF AN ASSOCIATION COVENANTS

DEVELOPER shall establish, subject to VILLAGE approval as to form, an ownership association that shall manage the operation of the common areas, landscaping, architectural control review and governance issues for the Commercial Component of the DEVELOPMENT and the stormwater pond for the Subject Lands. DEVELOPER shall also establish the necessary covenants and deed restrictions subject to VILLAGE approval to ensure compliance with the PDO, Village rules and regulations and this agreement.

P. PAYMENT OF COSTS:

Subject to the VILLAGE's payment obligations under Section IX above, DEVELOPER shall pay for VILLAGE fees, expenses, costs and disbursements incurred by the VILLAGE in connection with the Commercial Component of the DEVELOPMENT or relative to the construction, installation, dedication and acceptance of the Commercial Component of the DEVELOPMENT improvements covered by this agreement, including without limitation by reason of enumeration, design, engineering, review, supervision, inspection and legal, administration and fiscal work. VILLAGE employee costs shall be based on regular VILLAGE pay rates (or Engineering and administrative overtime, if applicable) plus 60% on the hourly rate for overhead and fringe benefits for any time actually spent on the DEVELOPMENT. Any costs for outside consultants shall be charged at the rate the consultant charges the VILLAGE. Any such charge not paid by DEVELOPER within thirty (30) days when due and invoiced may be charged against the financial guarantee held by the VILLAGE pursuant to this agreement, or assessed against the SUBJECT LANDS as a special charge pursuant to Wis. Stat. sec. 66.0627. The Building Inspector's work that is recovered through building permit fees are not subject to this Subsection.

SECTION XIV. METHOD OF IMPROVEMENT:

DEVELOPER hereby agrees to engage contractors for all work performed by the DEVELOPER under this agreement who are qualified to perform the work. DEVELOPER further agrees to use materials and make the various installations in accordance with the approved plans and specifications, which are made part of this agreement by reference and including those standard specifications as the VILLAGE Board or its Commissions may have adopted and published prior to this date.

SECTION XV. GENERAL INDEMNITY:

In addition to, and not to the exclusion or prejudice of, any provisions of this agreement or documents incorporated herein by reference, the DEVELOPER shall indemnify and save harmless and agrees to accept tender of defense and to defend and pay any and all reasonable legal, accounting, consulting, engineering and other expenses relating to the defense of any claim asserted or imposed upon the VILLAGE, its officers, agents, employees and independent contractors arising out of this agreement by any party or parties. DEVELOPER shall also name as additional insured on its general liability insurance the VILLAGE, its officers, agents, employees and any independent contractors hired by the VILLAGE to perform services as to this DEVELOPMENT and give the VILLAGE evidence of the same upon request by the VILLAGE. It is understood and agreed that the insurance coverage and limits required above shall not limit the extent of DEVELOPER's responsibilities and liabilities pursuant to this Agreement or imposed by law.

SECTION XVI. VILLAGE RESPONSIBILITY:

A. VILLAGE agrees to provide or obtain funding for and to pay for the amounts due under SECTION IX above, subject to certification of the amendment to the TID 8 boundary and project plan by the Wisconsin Department of Revenue, and the Developer's compliance with terms of the agreement.

B. VILLAGE agrees to allow the DEVELOPER and the SUBJECT LANDS to connect to the VILLAGE's municipal water system and sewerage system at such time as the water system and sanitary sewer system required herein have been dedicated to and accepted by the VILLAGE.

SECTION XVII. INSURANCE:

DEVELOPER, its contractors, suppliers and any other individuals working on the SUBJECT LANDS in the performance of this agreement shall maintain at all times until the expiration of the guarantee period, insurance coverage in the forms and in the amounts as required by the VILLAGE.

SECTION XVIII. EXCULPATION OF VILLAGE CORPORATE AUTHORITIES:

The parties mutually agree that the VILLAGE President of the VILLAGE Board, and/or the VILLAGE Clerk, entered into and are signatory to this agreement solely in their official capacity and not individually, and shall have no personal liability or responsibility hereunder; and personal liability as may otherwise exist, being expressly released and/or waived.

SECTION XIX. GENERAL CONDITIONS AND REGULATIONS:

All provisions of the VILLAGE Ordinances are incorporated herein by reference, and all such provisions shall bind the parties hereto and be a part of this agreement as fully as if set forth at length herein. This agreement and all work and improvements required hereunder shall be performed and carried out in strict accordance with and subject to the provisions of said Ordinances.

SECTION XX. ZONING:

The VILLAGE does not guarantee or warrant that the SUBJECT LANDS will not at some later date be rezoned, nor does the VILLAGE herewith agree to rezone the lands into a different zoning district. It is further understood that any rezoning that may take place shall not void this agreement. The Commercial Component of the DEVELOPMENT shall be subject to a specific PDO Ordinance and DEVELOPER shall ensure compliance with the same unless and until the Village changes the PDO Ordinance or otherwise rezones the property.

SECTION XXI. COMPLIANCE WITH CODES AND STATUTES:

DEVELOPER shall comply with all current and future applicable codes of the VILLAGE, County, State and federal government and, further, DEVELOPER shall follow all current and future lawful orders of any and all duly authorized employees and/or representatives of the VILLAGE, County, State or federal government.

SECTION XXII. ASSIGNMENT:

Except as otherwise set forth in this Agreement, DEVELOPER shall not assign this agreement without the written consent of the VILLAGE, which shall not be unreasonably withheld. The VILLAGE specifically consents to (a) the sale of the Residential Component of the

DEVELOPMENT to a third party, and (b) assignment by DEVELOPER to an affiliate of DEVELOPER of all or portions of the Commercial Component of the DEVELOPMENT. In addition, within ten (10) days following written request from the DEVELOPER, the VILLAGE shall provide to any successor owner or end user with an estoppel certificate (a) confirming that the DEVELOPER is not in default under this agreement (or specifying any default that does exist), and (b) releasing the successor owner or end user and any portion of the SUBJECT LANDS to be conveyed to them from the obligations to construct Infrastructure if final acceptance of the public improvements has occurred.

SECTION XXIII. PARTIES BOUND:

DEVELOPER or their assignees shall be bound by the terms of this agreement or any part herein as it applies to any phase of the DEVELOPMENT.

SECTION XXIV. HEIRS & ASSIGNS:

Except as set forth in Section XXII above, this agreement is binding upon the DEVELOPER, their successors and assigns, and any and all future owners of the SUBJECT LANDS. This section allows for VILLAGE enforcement of the terms and conditions of this agreement against all such successors.

SECTION XXV. LEGAL RELATIONSHIP:

Nothing in this Agreement shall be construed to create an employer/employee relationship, joint employer, a joint venture or partnership relationship, or a principal/agent relationship.

SECTION XXVI. SURVIVAL:

All agreements, representations, or warranties made herein shall survive the execution of this Agreement, performance of this Agreement, and the making of the grants hereunder. This Agreement shall be binding upon the Parties their respective heirs, personal representatives, executors, or successors and assigns.

SECTION XXVII. OWNERSHIP OF SUBJECT LANDS:

DEVELOPER owns the SUBJECT LANDS as of the date of this Agreement and has full power and authority to execute this Agreement.

SECTION XXVIII. MORTGAGEE CONSENT: DEVELOPER shall provide the VILLAGE written evidence that the mortgagee on the SUBJECT LANDS consents to the recording of this agreement. The VILLAGE acknowledges that this agreement shall be subordinate to the primary mortgage for the DEVELOPMENT.

SECTION XXIX. PARAGRAPH HEADINGS:

The paragraph headings in this Agreement are inserted for convenience only and are not intended to be part of, or to affect, the meaning or interpretation of this Agreement.

SECTION XXX. INCORPORATION OF RECITALS:

The recitals to this Agreement are hereby incorporated by reference and made a part of Agreement, and are intended to affect the meaning and/or interpretation of this Agreement.

SECTION XXXI. COUNTERPARTS:

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

SECTION XXXII. INTERPRETATION:

This Agreement has been subject to significant drafting by both VILLAGE and DEVELOPER and this Agreement and its wording shall not be construed against the VILLAGE as the drafter of the language should a disagreement arise as to interpretation.

SECTION XXXIII. ENTIRE AGREEMENT:

This Agreement constitutes the entire understanding and agreement between the parties. In the event of a conflict between this Agreement and the VILLAGE Code of Ordinances or any other enabling code, law, or regulation in effect at the time of this Agreement or thereafter, the terms and conditions of the VILLAGE Code of Ordinances in effect at the time of the acceptance by DEVELOPER shall be controlling. If this Agreement is silent with respect to any specific issue, the VILLAGE Code of Ordinances and any applicable Federal and State Statutes shall govern.

SECTION XXXIV. RECORDING OF AGREEMENT:

This Agreement, or a Memorandum thereof, shall be recorded with the Register of Deeds for Waukesha County.

SECTION XXXV. AMENDMENTS:

VILLAGE and the DEVELOPER, by mutual consent, may amend this Developer's Agreement at any meeting of the VILLAGE Board.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the DEVELOPER and the VILLAGE have caused this agreement to be signed by their appropriate officers and their corporate seals (if any) to be hereunto affixed in three original counterparts the day and year first above written.

SUSSEX CORPORATE PARK II, LLC

By: _____
Stewart M. Wangard, Manager

STATE OF WISCONSIN
COUNTY OF _____

Personally came before me this _____ day of _____, 2021, the above named _____ Authorized Signatory of Sussex Corporate Park II, LLC to me known to be the person who executed the foregoing instrument and acknowledged the same.

NOTARY PUBLIC, STATE OF WI
My commission expires: _____

DRAFT

VILLAGE OF SUSSEX
WAUKESHA COUNTY, WISCONSIN

VILLAGE President

VILLAGE Clerk-Treasurer

STATE OF WISCONSIN
COUNTY OF WAUKESHA

Personally came before me this _____ day of _____, 2021, the above-named Anthony LeDonne, VILLAGE President, and Sam E. Liebert VILLAGE Clerk-Treasurer, of the above-named municipal corporation, to me known to be the persons who executed the foregoing instrument and to me known to be such VILLAGE President and VILLAGE Clerk-Treasurer of said municipal corporation and acknowledged that they executed the foregoing instrument as such officers as the deed of said municipal corporation by its authority and pursuant to the authorization by the VILLAGE Board from their meeting on the _____ day of _____, 2021.

NOTARY PUBLIC, STATE OF WI
My commission expires: _____

APPROVED AS TO FORM:

VILLAGE Attorney

EXHIBIT A

Legal Description of Subject Lands

A parcel of land located in the Northwest 1/4 and the Southwest 1/4 of the Northeast 1/4 of Section 33, Township 8 North, Range 19 East, in the Town of Lisbon, Waukesha County, Wisconsin, bounded and described as follows:

Commencing at the North 1/4 corner of said Section 33; thence North 89°54'44" East, 202.50 feet along the north line of the Northeast 1/4 of said Section to the point of beginning; continuing thence North 89°54'44" East, 1121.77 feet along said north line to the northerly extension of the west line of Lot 1 of Certified Survey Map No. 11793; thence South 0°33'24" West, 2597.67 feet along the west line of said Lot 1 of Certified Survey Map No. 11793 and the west line of Lot 3 of Certified Survey Map No. 11854 to the north line of C.T.H. "K" (Lisbon Road); thence South 89°53'56" West, 1318.13 feet along said north line to the west line of said Northeast 1/4 of Section 33; thence North 0°25'16" East, 2133.04 feet along said west line to the south line of Lot 1 of Certified Survey Map No. 7620; thence North 89°54'44" East, 282.00 feet along said south line to the easterly line of said Lot 1; thence North 14°09'16" West, 185.54 feet along said easterly line; continuing thence North 6°09'16" West, 286.49 feet along said easterly line to the point of beginning.

EXHIBIT D

EXHIBIT U- Incentivized Uses

In order to promote a strong economy and jobs the following uses that do not have a strikethrough are eligible to meet the incentivization thresholds of the Developer's Agreement section XXIX. This language come from the BP-1 Zoning District Code and Conditional Use section.

17.0420

BP-1 BUSINESS PARK DISTRICT

The BP-1 Business Park District is intended to provide for the orderly and attractive grouping of diverse office, retail, and customer service uses, mixed with industrial uses of limited intensity where the appearance of such mixed uses is enhanced by pleasing building architecture and generously landscaped sites free of outside storage and outside display of products. The district is intended to be located in highly visible locations adjacent to arterial highways, and should be buffered by means of landscaping and berms from residential uses.

A. Permitted Uses

1. Accommodations and Food Service

- (a) Restaurants, snack stands, and mobile food services. For a drive-through the Plan Commission must find that the vehicle stacking and noise from its operation will not impact surrounding properties or any public roadway.
- (b) Food service contractors and caterers
- (c) Hotels and Motels

2. ~~Educational, Health Services, and Social Services~~

- ~~(a) Commercial day care centers provided that any outside play area is surrounded by a security fence; that no day care center is located within 300 feet of a gasoline service station, underground gasoline storage tanks, or any other storage of explosive material; that no day care center shall be located in an area where air pollution caused by smoke, dust, gases, or other particulate matter would endanger children; that no day care center shall be located in an area where noise would be so loud, shrill, or have an impulse to endanger children; that traffic be managed in a manner to minimize danger to children; and provided that adequate parking and circulation be provided on the day care facility site in accordance with the standards set forth in Section 17.0603(K)(6)(h)(3) of this Ordinance.~~

3. General Services

- (a) Repair and Maintenance of consumer electronics, electronic and precision equipment commercial and Industrial machinery and equipment, appliances, furniture/reupholsters.
- ~~(b) Barber, beauty, nail salons, spa treatment services~~
- ~~(c) Dry cleaning and laundry services (non-industrial)~~
- ~~(d) Photo finishing laboratories~~
- ~~(e) General Business Offices.~~
- ~~(f) General Construction trade services (carpenters, electricians, flooring services, lawn and landscaping services, lighting services, masonry services, painting services, plastering services, plumbing and heating contractors, roofing services, sheet metal services, welding services, and building showrooms)~~

4. Finance, Insurance, Real Estate, and Leasing

- ~~(a) Financial Service Institutions, for a drive-through the Plan Commission must find that the vehicle stacking and noise from its operation will not impact surrounding properties.~~
- ~~(b) Monetary Authority~~

EXHIBIT D

- ~~(c) Financial investment, insurance offices, and similar financial products~~
 - ~~(d) Real estate, appraisers, and developer offices~~
 - ~~(e) Office equipment rental and leasing~~
 - 5. Information Services
 - ~~(a) Newspapers and Publishers~~
 - ~~(b) Computer programming, software publishers and data/system processing~~
 - ~~(c) Video, film, sound, photo production and studios~~
 - ~~(d) Media station and distribution center, excluding towers and dishes~~
 - ~~(e) Telecommunications services, excluding towers and dishes~~
 - 6. Manufacturing: The manufacture, fabrication, assembly, and/or processing of the following products; or parts, supplies, or sub-assemblies of the same:
 - (a) Fabrics and Textile Products
 - (1) Yarn, felt, and fabric
 - (2) Carpet, rugs, drapes, canvas, and rope
 - (3) Clothing, hosiery, hats, gloves, shoes
 - (4) Packing and assembly of fur and leather products, no tanning
 - (5) Upholstery of furniture and automotive
 - (b) Wood and Paper Products
 - (1) Wood furniture and wood products
 - (2) Paper products (non pulp)
 - (3) Printing, binding, and associated printing services
 - (c) Home, health, beauty, and cleaning Products
 - (1) Toiletries
 - (2) Medical, botanical, and pharmaceutical processing (non hazardous)
 - (3) Cosmetic manufacturing
 - (4) China, pottery, porcelain, clay, ceramics, silverware
 - (5) Glass and glass products
 - (6) Jewelry
 - (7) Home décor items of art, lamps, furniture, wallpaper.
 - (8) Brooms and brushes
 - (d) Machinery and Metal Products
 - (1) Rolled wire, metal product manufacturing
 - (2) Tool and die, and machining
 - (3) Machinery for of farming, construction, mining, woodworking, paper, textile, printing, food products, commercial or industrial uses, service industry, mechanical, crane, elevator, pumps, and motors.
 - (e) General manufacturing
 - (1) Electronics, telecommunications, medical instruments, scientific and laboratory equipment, measuring and recording devices.
 - (2) Electrical appliances, switches, cable, and components
 - (3) Vehicles, vehicle parts, and equipment
 - (4) Sporting goods, hobby products, musical instruments, and marking devices
 - (5) Signage and advertising products
 - 7. Professional, Technical, Scientific, and Administrative Services
 - (a) Legal, notaries, and title services
 - (b) Accountants, tax preparation, payroll, and other accounting services
 - (c) Architects, landscape architects, engineering, surveying services
 - (d) Interior, industrial, graphic, and fashion design services
-

EXHIBIT D

- (e) Consulting/professional services of advertising, management, HR, marketing, IT.
 - (f) Laboratories, research, and development facilities
 - (g) Translation and interpretation services
 - (h) ~~Employment placement and provider services~~
 - ~~(i) Private investigators, locksmiths, security, and armored car services~~
 - ~~(j) Janitorial services~~
 - ~~(k) Pest control services~~
 - ~~(l) Business service centers and telemarketers~~
 - ~~(m) Building maintenance services~~
 - ~~(n) Packaging and labeling services~~
 - ~~(o) Veterinary Services~~
 - (p) Offices of holding companies and regional managing offices
8. Retail Trade
- ~~(a) Internet sales shopping/mail order business and vending machine sales~~
 - (b) Factory Outlets and retail sales of products made onsite in the principal industrial operation.
9. ~~Public Administration and Government Services~~
- ~~(a) Governmental and cultural uses such as fire and police stations, community centers, public works garages, government administration buildings, parks and playgrounds.~~
10. ~~Transportation and Warehousing, as follows:~~
- ~~(a) Courier, delivery, postal service businesses~~
 - ~~(b) Limited wholesaling, warehousing and storage facilities for distributors, provided that such warehousing and storage does not exceed 50,000 square feet.~~

17.0506

CONDITIONAL USES

- A. The following agricultural, mining, commercial, industrial, and institutional uses shall be conditional uses and may be permitted as specified, but all Conditional Use applicants must produce a "Impact Report" detailing the impacts of said use to neighboring properties and to Village services from traffic, parking, and overflow parking, noise, odor, safety, crime, hours of operation, health and sanitation, and property maintenance issues. The Village Administrator shall analyze said report along with any supplemental reports from the Village, and its agents, to create an impact report for the application utilizing the Professional and Technical Trade standards for traffic, noise, dust, light, crime and fire prevention, etc. as a guide for the same. The Petitioner shall then prove by substantial evidence how their use will mitigate and address the findings of the impact report. In addition additional standards shall apply for specific types of uses as follows:
2. ~~Arts, Entertainment, and Recreation: Petitioners for conditional uses in the Arts, Entertainment, and Recreation section below must prove if the use involves the discharge of weapons that the building and site design have been established to both prevent any bullet, arrow, or other item from leaving the subject property and prevent anyone unauthorized; from access to where they may be impacted by the discharge of the weapon(s).~~
-

EXHIBIT D

- e) ~~Commercial Recreation Facilities, such as arcades, bowling alleys, dance halls, driving ranges, gymnasiums, lodges, miniature golf facilities, physical fitness and recreational sports facilities, pool and billiard halls, racetracks, rifle ranges, tennis courts, volley ball courts, Turkish baths, swimming pools, and skating rinks, are conditional uses and may be permitted in the B-1,~~

7. Manufacturing

The following manufacturing Conditional Uses have a significant potential for impacts to adjacent properties and in addition have the potential for significant public safety challenges. In order to grant approval the Plan Commission will review and add the conditions found from:

- a) A report from the Fire Chief that the proposed use and its plan of operation are sufficiently designed to prevent life safety issues to the public, first responders, and those operating in the facility, including sprinklering of the building.
- b) A report highlighting what if any odors and noise, intensity, duration and or times, and general area of odor(s) and noise from the proposed operations and what if any dangers to the public exist from said operation, and ways to mitigate the same.
- c) A report from the Wastewater Utility/Water Utility on impacts to these services from stated operations including any necessary treatment systems required.

The Plan Commission must also find the following items: that traffic from the use will not reduce the functionality grade of any nearby intersection(s) without the same being mitigated; and that noise standards of the operations shall be at least 10% lower at the property line than the Village Ordinance. The Plan Commission must find that the buildings fully adhere to the design standards of the Village and the lot is screened such that the parked vehicles or equipment are not visible from any residential district and the street.

- b) Manufacturing/Processing of bakery and flour products, beverages (alcoholic, coffee, soda, tea, water), biological products, candles, celluloid, disinfectants, dry ice, excelsior, food products, furs, gelatin, glucose, grain, seed and plant oil, cereal, chocolate confections, fruit, vegetable, and nut, dairy products, snack food, syrups, flavorings, extracts, spices and dressings, hair products, ice, ink, lard, linoleum, matches, meat, paper (non pulp), perfume, polish, potash, plastics, shellac, soap, starch, stove polish, textiles, toiletries, turpentine, varnish, vinegar and yeast in the BP-1 district.
-

EXHIBIT D

10. ~~Transportation and Warehousing~~

~~Petitioners for conditional uses in the Warehousing section must:~~

- ~~a) In the BP-1 district, truck terminals, warehousing, wholesale and distribution centers, and mail-order centers when not accessory to a BP-1 district permitted use. The Plan Commission must also find the following items: that traffic from the use will not reduce the functionality grade of any nearby intersection(s) without the same being mitigated; and that noise standards of the operations shall be at least 10% lower at the property line than the Village Ordinance. The Plan Commission must find that the buildings fully adhere to the design standards of the Village and the lot is screened such that the parked vehicles or equipment are not visible from any residential district and the street.~~

11. ~~Miscellaneous Items (Towers/Antenna and Outside Storage)~~

- ~~a) Commercial Use Outside Storage. Outside storage maybe permitted for commercial uses in the B-1, B-2, B-3, B-4, BP-1, and OP-1, districts. All outside storage areas shall be at least 100 feet from residential, park, and institutional districts located in the Village or adjacent community. In all cases, outside storage shall be screened from all sides. All screening plans are subject to Plan Commission review and approval. Screening shall be a permanent opaque wall matching the materials of the building and may include fencing as deemed appropriate by the Plan Commission. The Plan Commission may allow vegetative screening in part or in whole, where it determines the vegetative screening shall provide sufficient and aesthetically pleasing screening and said screening is appropriate for the type of items being screened from view. The height of the wall necessary shall be sufficient to screen the product(s) in the outside storage area. The Plan Commission shall set the appropriate height of any fencing based upon the site conditions and the types of outdoor storage to be screened. Outside Storage shall not be construed to include the temporary or seasonal outdoor sales or services allowed as part of a Village approved outdoor sales and services permit.~~
 - ~~b) Industrial Use Outside Storage. Outside storage maybe permitted for industrial uses in the M-1, and BP-1 districts. All outside storage areas shall be at least 600 feet from residential, park, and institutional districts located in the Village or adjacent Towns. The Plan Commission may waive or reduce the 600-foot separation requirement. In all~~
-

EXHIBIT D

~~cases, outside storage should be screened. All screening plans are subject to Plan Commission review and approval. Screening should be a permanent predominantly evergreen planting screen, the individual trees to be of such a number and so arranged that they will have formed a dense screen within ten years or by a fence or wall or by a combination of trees and wall and fencing. The Plan Commission shall set the appropriate height of any fencing based upon the site conditions and the types of outdoor storage to be screened. Individual trees shall be capable of reaching a height of ten feet within two years. Furthermore, no use shall be granted a modification of the separation requirement if the Plan Commission determines that the use will have a high risk of fire, explosion, noise, vibration, odor, or if the use will generate traffic volumes in excess of those reasonably expected in a residential neighborhood. Outside Storage shall not be construed to include the temporary or seasonal outdoor sales or services allowed as part of a Village approved outdoor sales and services permit.~~

EXHIBIT J

Enumerated Infrastructure Costs

Civil Engineering	\$130,000
Road and Sidewalk Improvements: Stone Base, Concrete Pavement, Grading, Curb/Gutter, Sidewalk & Mobilization, Sanitary Sewer, Water Main & Storm Sewer, Street Trees, Street Lights, Land Cost	\$1,083,000
Water Management: Pond Construction and Land Cost	\$708,600
Utility Relocation	\$300,000
TOTAL	\$2,221,600 CAPPED AT \$2,200,000

JOINT REVIEW BOARD
RESOLUTION NO. 21-11

A RESOLUTION OF THE JOINT REVIEW BOARD APPROVING PROJECT PLAN
AMENDMENT NO. 1 FOR TAX INCREMENTAL DISTRICT NO. 7 OF THE
VILLAGE OF SUSSEX, WISCONSIN

WHEREAS, on June 8, 2021 the Village Board of the Village of Sussex, Wisconsin (the "Village") adopted a resolution (the "Resolution") approving Project Plan Amendment No. 1 (the "Project Plan Amendment") to Tax Incremental District No. 7 (the "District") of the Village, pursuant to Section 66.1105(4)(h) of the Wisconsin Statutes;

WHEREAS this Joint Review Board, which was established pursuant to Section 66.1105(4m) of the Wisconsin Statutes, has reviewed the Resolution, the Project Plan Amendment, the project plan for the District, the information and projections provided by the Village pursuant to Section 66.1105(4)(i) of the Wisconsin Statutes and the public record and planning documents relating to the District; and

WHEREAS this Joint Review Board has considered the criteria set forth in Section 66.1105(4m)(c)1. of the Wisconsin Statutes and has determined that:

- (a) The development expected in the District as a result of implementation of the Project Plan Amendment would not occur without the use of tax incremental financing;
- (b) The economic benefits of the District as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements in the District, as amended;
- (c) The benefits of the Project Plan Amendment outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts; and
- (d) The expenditures and boundaries identified in the Project Plan Amendment are approved.

NOW, THEREFORE, BE IT RESOLVED that this Joint Review Board approves the Resolution and the Project Plan Amendment for Tax Increment District No. 7 of the Village of Sussex, Wisconsin.

Adopted this 22nd day of June, 2021.

Chairperson of the Joint Review Board



**Project Plan
Amendment No. 1 for
Tax Incremental District No. 7
Project Plan
In the Village of Sussex**

Public Hearing Held: May 18, 2021

Adopted by CDA: May 18, 2021

Adopted by Village Board: June 8, 2021

Approved by Joint Review Board:

June 8, 2021



115 South 84th Street
Suite 315
Milwaukee, WI 53214
414-771-2700 Telephone

Village of Sussex, Wisconsin

Village of Sussex Elected Officials

Village President Anthony LeDonne

Scott Adkins

Benjamin Jarvis

Stacy Riedel

Lee Uecker

Ron Wells

Gregory Zoellick

Village of Sussex Community Development Authority

Village President Anthony LeDonne

Chairperson Jim Stone

Heather Pfalz

Jennifer Bell

Ralph Benka

Scott Adkins

Mike Schulist

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I. Background and Introduction

In 2018, the Village of Sussex (the “Village”) created Tax Incremental Financing District Number 7 (“TID No.7” or “District”) for the purpose of promoting industrial and commercial development on properties located at the northwest corner of the intersection of STH 164 and CTH K. The development, known as the Sussex Commerce Center, is providing for the continued expansion and diversification of the Village’s tax base and provides employment opportunities for Village residents. The project is designed to build upon the success of the Sussex Corporate Center which is located directly across STH 164 on the northeast corner of the intersection of STH 164 and CTH K. The Sussex Commerce Center consists of approximately 56 developable acres with 48 acres of industrial development and 8 acres of commercial development.

The Developer of the Sussex Commerce Center recently acquired approximately 76 additional acres immediately west of their current property. The Village is proposing to expand the existing TID#7 western boundary to include the additional property. It is anticipated that approximately 40 acres will be developed as a business park with construction of the first building beginning in 2021 and additional buildings constructed annually through 2025. In addition to the business park development, it is anticipated that approximately 36 acres will be available for residential development.

II. Statement of Kind, Number and Location of Proposed Public Works and Improvements

TID No. 7 is being amended by the Village of Sussex under the authority provided by Wisconsin Statute Section 66.1105. The District is being amended to encourage the further development. Not less than 50% by area of the real property within the District is suitable for industrial sites within the meaning of section 66.1101 of the Wisconsin State Statutes, and has been zoned for industrial use.

Any cost directly or indirectly related to promoting industrial development is considered a “project cost” and eligible to be paid from tax increments of the District. Additionally, the costs of planning, engineering, designing, surveying, legal and consultant fees, testing, environment studies, permits necessary for public work, easements, judgments or damage claims for damages, and other expenses for all project categories as well as discretionary payments, are included in project costs.

Listed below are direct project costs associated with the TID No. 7 Amendment Area.

Development Incentives

The Village anticipates entering into a Development Agreement which would provide the Developer with a total payment of not to exceed \$2,400,000. The developer will be responsible for all public improvements on the property including water and sewer main

installation, grading and road construction. The proforma for this Development showed a negative return on investment without TIF investment due the upfront infrastructure needs and constrained amount of land available to develop. But for the TIF investment as presented there would be insufficient funding to realize industrial development on this parcel both now and into the future.

Administrative and Organizational Costs

Imputed administrative costs of TID No. 7 include, but are not limited to, a portion of the salaries of Village employees and elected officials, professional fees for audits, legal review, planning and engineering services, professional assistance with general administration of TID No. 7 and other costs associated with the creation and administration of projects over the expenditure period including the administration of grants and other financial assistance received to help pay for projects within TID No. 7.

Financing Costs

Financing costs for TID No. 7 include interest, finance fees, bond discounts, bond redemption premiums, legal opinions, ratings, capitalized interest, bond insurance and other expenses related to financing.

III. Economic Feasibility Study

The purpose of this economic feasibility study is to answer two fundamental questions:

- 1) Is the Village able to obtain financing for the improvements within the District?
And, more importantly:
- 2) Will the tax increment revenues generated by the District be sufficient to repay the District's obligations?

An analysis to determine the answer to each of these questions follows. The analysis includes only those project costs related to the plan amendment and the increment revenues anticipated as a result of the plan amendment.

Ability to Obtain Financing

An important aspect to consider in assessing the feasibility of the TID No. 7 Amendment Area is the ability of the Village to finance the desired projects. Options available to the Village to finance the project costs include general obligation notes and bonds, revenue bonds, and special assessment bonds. The Community Development Authority of the Village could also issue CDA Lease Revenue Bonds to finance the project costs.

General obligations of the Village are limited by state law to five percent of the Village's total equalized property value. Payments for general obligation debt are not, however, limited by the current levy limit laws. The Village has sufficient general obligation debt capacity to obtain the funds necessary to implement this project plan, as amended.

Ability to Repay Obligations

In order to determine the ability of the TID No. 7 Amendment Area to repay its obligations it is necessary to project tax increment revenues and analyze the District's cash flow. The revenue projection contained on page 4 and graphically shown on page 5 is based upon the following assumptions:

- The base value of the amended area of the district is estimated to be \$73,700.
- The tax rate is \$15.80 per thousand of equalized value, which is the Village's current tax rate, and is projected to remain constant throughout the life of the District.
- The analysis anticipates that there will be 32 net developable acres in the business park which will generate approximately \$30 million in increment value (\$4 million in increased land value and \$26 million in new construction). The construction projects will occur as acreage is sold to third parties. The estimated timeline for the sale of the parcels and construction is as follows:

Sold/ Construction Year	Number of Acres Sold
2021	7.5
2022	10.0
2023	8.0
2024	6.5
Total Acres	32.0

In addition to the business park development it is anticipated that approximately 36 acres will be available for residential development. There is no timetable for the residential development and no values are included for the purposes of this analysis.

- Valuations are projected to remain at their initial construction value and, for the purpose of this analysis, are not expected to increase or decrease throughout the life of the District.

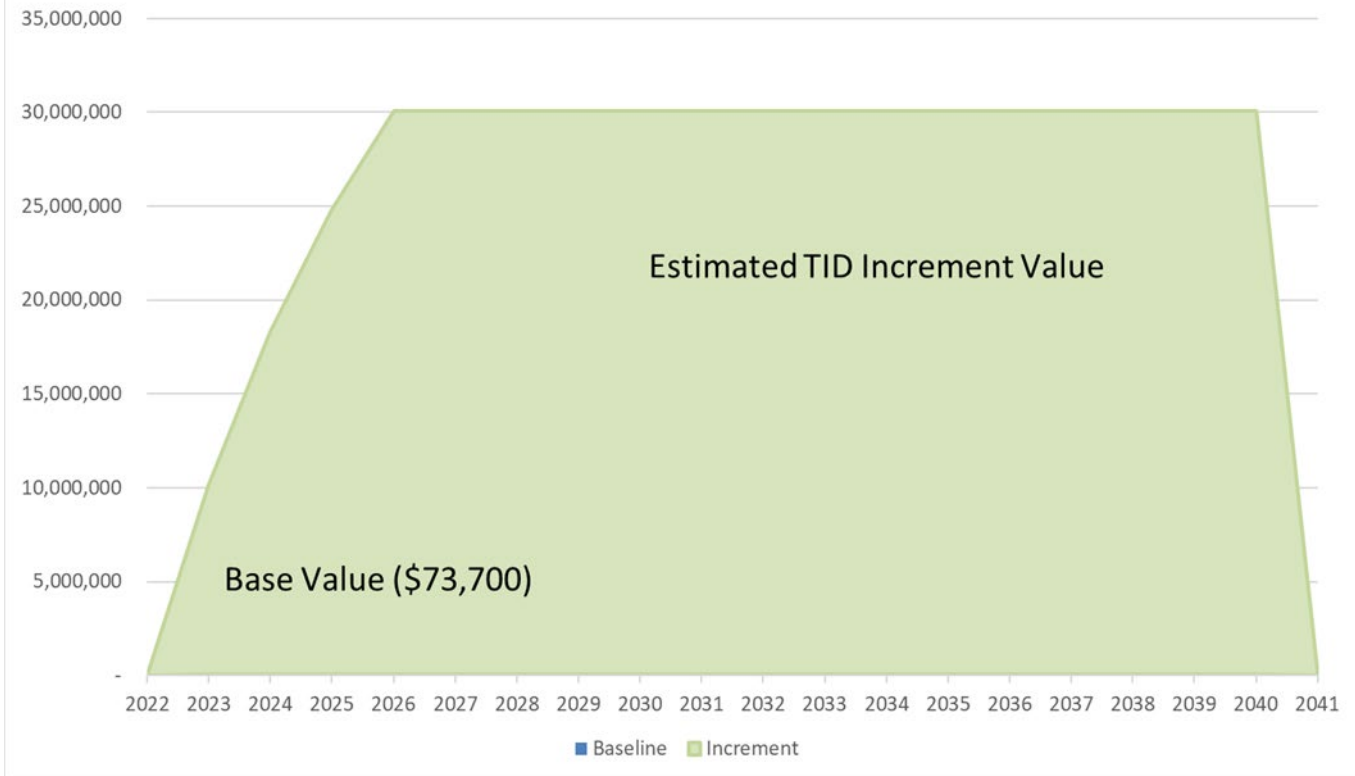
Page 6 shows the projected increment revenues of the combination of the development projected to occur in the original TID#7 boundaries and the Amended Area. The start of development within the original TID#7 boundaries was delayed. The new projected increment values are as follows:

<u>Valuation Year</u>	<u>Projected Increment</u>
2020	\$ 1,430,300
2021	5,033,500
2022	17,384,000
2023	12,000,000
2024	4,052,200
2025	5,100,000

Projected Tax Increment (TID No. 7 Amendment Area)

<u>Const. Year</u>	<u>Jan. 1 Valuation</u>	<u>Revenue Collection</u>	<u>New Construction</u>	<u>Total Increment</u>	<u>Tax Rate</u>	<u>TID Revenues</u>
2021	2022	2023	10,093,750	10,093,750	15.80	159,481
2022	2023	2024	8,125,000	18,218,750	15.80	287,856
2023	2024	2025	6,500,000	24,718,750	15.80	390,556
2024	2025	2026	5,281,250	30,000,000	15.80	474,000
2025	2026	2027		30,000,000	15.80	474,000
2026	2027	2028		30,000,000	15.80	474,000
2027	2028	2029		30,000,000	15.80	474,000
2028	2029	2030		30,000,000	15.80	474,000
2029	2030	2031		30,000,000	15.80	474,000
2030	2031	2032		30,000,000	15.80	474,000
2031	2032	2033		30,000,000	15.80	474,000
2032	2033	2034		30,000,000	15.80	474,000
2033	2034	2035		30,000,000	15.80	474,000
2034	2035	2036		30,000,000	15.80	474,000
2035	2036	2037		30,000,000	15.80	474,000
2036	2037	2038		30,000,000	15.80	474,000
2037	2038	2039		30,000,000	15.80	474,000
2038	2039	2040		30,000,000	15.80	474,000
		2041				
	Totals		30,000,000			7,947,894

Village of Sussex
TID No. 7 Projected Increment Values
(TID No. 7 Amendment Area)



Projected Growth--Existing plus Amendment

<u>Const. Year</u>	<u>Jan. 1 Valuation</u>	<u>Revenue Collection</u>	<u>New Construction</u>	<u>Total Increment</u>	<u>Tax Rate</u>	<u>TID Revenues</u>
2018	2019	2020				
2019	2020	2021	1,430,300	1,430,300	15.80	22,599
2020	2021	2022	5,033,500	6,463,800	15.80	102,128
2021	2022	2023	27,477,750	33,941,550	15.80	536,276
2022	2023	2024	20,125,000	54,066,550	15.80	854,251
2023	2024	2025	10,552,200	64,618,750	15.80	1,020,976
2024	2025	2026	10,381,250	75,000,000	15.80	1,185,000
2025	2026	2027	-	75,000,000	15.80	1,185,000
2026	2027	2028		75,000,000	15.80	1,185,000
2027	2028	2029		75,000,000	15.80	1,185,000
2028	2029	2030		75,000,000	15.80	1,185,000
2029	2030	2031		75,000,000	15.80	1,185,000
2030	2031	2032		75,000,000	15.80	1,185,000
2031	2032	2033		75,000,000	15.80	1,185,000
2032	2033	2034		75,000,000	15.80	1,185,000
2033	2034	2035		75,000,000	15.80	1,185,000
2034	2035	2036		75,000,000	15.80	1,185,000
2035	2036	2037		75,000,000	15.80	1,185,000
2036	2037	2038		75,000,000	15.80	1,185,000
2037	2038	2039		75,000,000	15.80	1,185,000
2038	2039	2040		75,000,000	15.80	1,185,000
Totals			73,569,700			20,288,632

IV. Detailed List of Project Costs

Attached is a detailed preliminary cost estimate for the projects necessary to implement the amendment of the plan. All cost estimates are preliminary and have been prepared based upon 2021 prices. The final costs of the projects may be adjusted to reflect design changes and actual construction bids. The timing of the projects is also very preliminary and subject to adjustment based upon implementation of this amendment of the project plan.

This amendment of the project plan is not an appropriation of funds for any specific project. The Village is not obligated to undertake any specific project and each project must be approved by subsequent action of the Village Board. The Village intends to undertake only those projects that remain viable during the implementation of the amendment of the project plan, and may choose to delete projects or change the scope of the projects implemented as they are individually authorized.

The total TIF project costs related to this amendment are limited to \$2,425,000 plus financing related costs. The project costs are identified in the following table. Note that the utilities and road improvement costs will be constructed by the Developer and reimbursed by the Village. The total payment to the Developer will not exceed \$2,400,000.

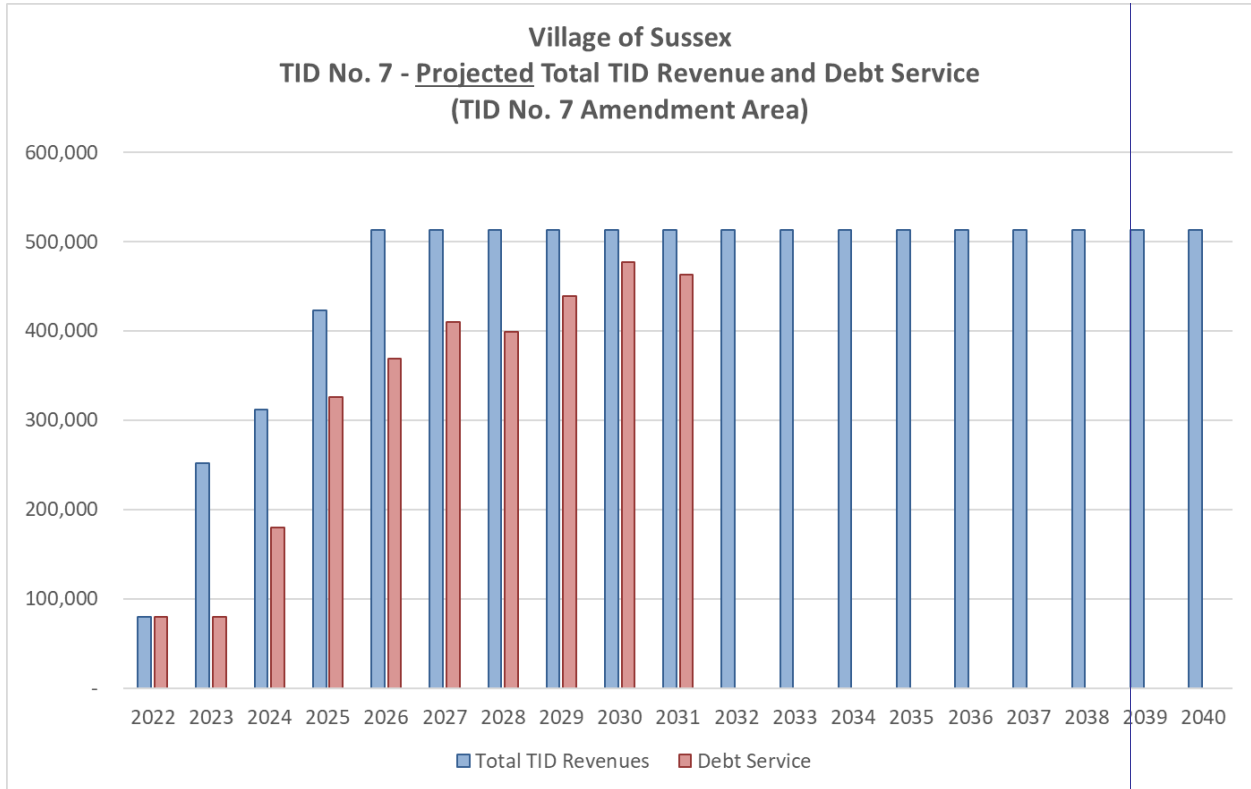
TIF 7 Creation			
Project	Developer	TIF	Total
Land Acquisition	\$2,135,000		\$2,135,000
Site Work	\$1,271,250		\$1,271,250
Utilities (Water, Sewer, Storm)	\$295,000	\$750,000	\$1,045,000
Road Improvements	\$0	\$950,000	\$950,000
Professional/Municipal Fees/Financing/Development Fees	\$1,118,000	\$200,000	\$1,318,000
Utility Burial/Street Lights	\$360,000		\$360,000
Development Incentive		\$500,000	\$500,000
Administrative Costs		\$25,000	\$25,000
Total	\$5,179,250	\$2,425,000	\$7,604,250

Page 10 shows the projected cash flow for the Amended Area. Page 11 shows the projected cash flow combining the projected revenues and expenditures related to the existing TID#7 development combined with the Amended Area. The delay in development within the original TID#7 boundaries resulted in a change to the timing and financing of projects identified in the original project plan. The Village has advanced funds to finance on site improvements and anticipated delaying the burial of electric lines and street lighting until sufficient funds are available to cash finance the project.

Projected Capitalization Schedule (TID No. 7 Amendment Area)

<u>Project</u>	<u>2021 Notes</u>
Business Park Infrastructure	2,200,000
Development Fees	200,000
Administrative and Legal	<u>25,000</u>
Total Project Costs	<u>2,425,000</u>
<i>Plus:</i>	
Capitalized Interest	159,000
Underwriters Discount	26,500
Finance and Legal	<u>40,000</u>
Total Funds Needed	<u>2,650,500</u>
<i>Less:</i>	
Interest Earnings	(500)
Funds on Hand	<u>--</u>
Total Debt Issue	<u>2,650,000</u>

Based upon these assumptions, the Village is able to obtain financing for the improvements required by TID No. 7 and the projected revenues will be sufficient to repay all of the district's obligations.



Village of Sussex

Tax Incremental District No. 7 Cash Flow (TID No. 7 Amendment Area)

Year	Incremental Revenues	Capitalized Interest	Total	2021 Notes			Surplus/ (Deficit)	Revenue Balance	Debt Balance
				Princ.	Int.	Total			
2022		79,500	79,500		79,500	79,500	-	-	2,650,000
2023	159,481	79,500	238,981		79,500	79,500	159,481	159,481	2,650,000
2024	287,856		287,856	125,000	79,500	204,500	83,356	242,838	2,525,000
2025	390,556		390,556	250,000	75,750	325,750	64,806	307,644	2,275,000
2026	474,000		474,000	350,000	68,250	418,250	55,750	363,394	1,925,000
2027	474,000		474,000	350,000	57,750	407,750	66,250	429,644	1,575,000
2028	474,000		474,000	375,000	47,250	422,250	51,750	481,394	1,200,000
2029	474,000		474,000	400,000	36,000	436,000	38,000	519,394	800,000
2030	474,000		474,000	400,000	24,000	424,000	50,000	569,394	400,000
2031	474,000		474,000	400,000	12,000	412,000	62,000	631,394	-
2032	474,000		474,000	-	-	-	474,000	1,105,394	-
2033	474,000		474,000	-	-	-	474,000	1,579,394	-
2034	474,000		474,000	-	-	-	474,000	2,053,394	-
2035	474,000		474,000	-	-	-	474,000	2,527,394	-
2036	474,000		474,000	-	-	-	474,000	3,001,394	-
2037	474,000		474,000	-	-	-	474,000	3,475,394	-
2038	474,000		474,000	-	-	-	474,000	3,949,394	-
2039	474,000		474,000	-	-	-	474,000	4,423,394	-
2040	474,000		474,000	-	-	-	474,000	4,897,394	-
Total	7,947,894	159,000	8,106,894	2,650,000	559,500	3,209,500			

Village of Sussex

Tax Incremental District No. 7 Cash Flow (Existing Plus Amendment Area)

Year	Incremental Revenues	Capitalized Interest	Total	Advance Repayment	Project Costs	2021 Notes			Surplus/ (Deficit)	Revenue Balance
						Princ.	Int.	Total		
2020										
2021	22,599		22,599	22,599					-	-
2022	102,128	79,500	181,628	102,128		79,500	79,500		-	-
2023	536,276	79,500	615,776	376,795		79,500	79,500	159,481	159,481	
2024	854,251		854,251	566,395		100,000	79,500	179,500	108,356	267,838
2025	1,020,976		1,020,976	630,420		250,000	76,500	326,500	64,056	331,894
2026	1,185,000		1,185,000	186,102	524,898	300,000	69,000	369,000	105,000	436,894
2027	1,185,000		1,185,000		711,000	350,000	60,000	410,000	64,000	500,894
2028	1,185,000		1,185,000		264,102	350,000	49,500	399,500	521,398	1,022,292
2029	1,185,000		1,185,000			400,000	39,000	439,000	746,000	1,768,292
2030	1,185,000		1,185,000			450,000	27,000	477,000	708,000	2,476,292
2031	1,185,000		1,185,000			450,000	13,500	463,500	721,500	3,197,792
2032	1,185,000		1,185,000			-	-	-	1,185,000	4,382,792
2033	1,185,000		1,185,000			-	-	-	1,185,000	5,567,792
2034	1,185,000		1,185,000			-	-	-	1,185,000	6,752,792
2035	1,185,000		1,185,000			-	-	-	1,185,000	7,937,792
2036	1,185,000		1,185,000			-	-	-	1,185,000	9,122,792
2037	1,185,000		1,185,000			-	-	-	1,185,000	10,307,792
2038	1,185,000		1,185,000			-	-	-	1,185,000	11,492,792
2039	1,185,000		1,185,000			-	-	-	1,185,000	12,677,792
2040	1,185,000		1,185,000			-	-	-	1,185,000	13,862,792
Total	20,311,231	159,000	20,266,004	1,884,439	1,500,000	2,650,000	573,000	3,223,000		

V. Methods of Financing

As previously discussed in the Economic Feasibility Study, the Village has numerous options for financing the improvements required for TID No. 7. These options include general obligation notes and bonds, revenue bonds and special assessment bonds. The Community Development Authority of the Village could also be utilized to issue CDA Lease Revenue Bonds to finance the project costs. The specific method of financing will be determined by the Village during the implementation of this project plan, as amended.

Factors which will be considered in determining the most appropriate method of financing for each individual project will include the amount to be financed, the projects to be financed, the terms required by various development agreements, market conditions, changes in state or federal law and the need for financing municipal improvements which are not a part of this project plan, as amended.

The following pages contain a capitalization and amortization schedule for General Obligation Community Development Notes to be issued in 2021.

General Obligation Community Development Notes (2021)

\$2,650,000

PROPOSED MATURITY SCHEDULE

The 2021 project costs are anticipated to be financed with General Obligation Community Development Notes to be issued under authority of Wisconsin Statutes Chapter 67. The following is the proposed schedule for repayment of project costs using estimated interest rates.

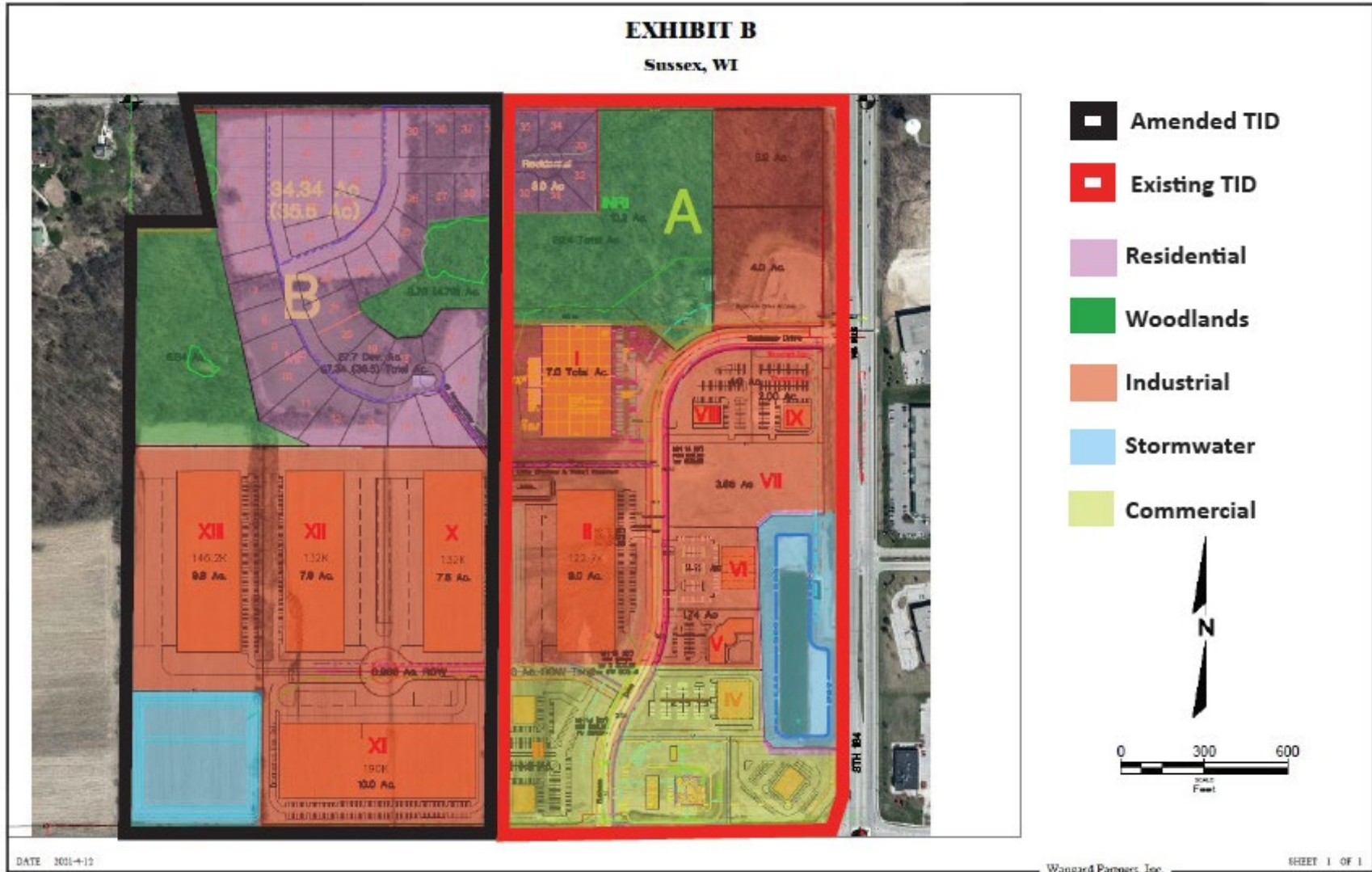
Year	Principal	Interest	Total
2022		79,500	79,500
2023		79,500	79,500
2024	125,000	79,500	204,500
2025	250,000	75,750	325,750
2026	350,000	68,250	418,250
2027	350,000	57,750	407,750
2028	375,000	47,250	422,250
2029	400,000	36,000	436,000
2030	400,000	24,000	424,000
2031	400,000	12,000	412,000
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	2,650,000	559,500	3,209,500

VI. Existing Uses and Conditions



-  Woodlands
-  Agriculture

VII. Proposed Uses and Conditions



VIII. Equalized Value Test

Wisconsin Statutes Section 66.1105(4)(gm)4.c. limits the amount of taxable property value which can be included in a new tax incremental district. When a district's boundaries are amended to add territory, the base value of the additional parcels combined with the increment values of all existing districts (including the District to be amended) cannot exceed 12% of the total equalized value of all taxable property within the Village. As of January 1, 2020, the equalized value of the Village was \$1,533,703,600. The total allowable value to be included in tax increment districts is \$184,044,432 ($\$1,533,703,600 \times 12\%$). The total increment value of the Village's tax increment districts was \$46,733,600. The total allowable additional value of the amendment is \$137,310,832 ($\$184,044,432 - \$46,733,600$). The estimated base value of the TID No. 7 amendment combined with the Village's current increment value does not exceed this limit.

IX. List of Estimated Non-Project Costs

In addition to the project costs to be paid by the Developer listed in the detailed list of project costs (see Part IV), it is anticipated that private parties will construct buildings with a projected value of \$26,000,000.

X. Proposed Changes in Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances

It is expected that this amended project plan will be complementary to the Village's Master Plan and does not require any proposed changes to the Village's Master Plan. There are no proposed changes to the zoning ordinances, building codes, the map or other Village ordinances for the implementation of this project plan, as amended.

XI. Relocation

It is not anticipated there will be a need to relocate any persons or businesses in conjunction with this project plan, as amended. In the event relocation becomes necessary at some time during the implementation period, the Village will take the following steps and actions.

Before negotiations begin for the acquisition of property or easements, all property owners will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce.

The Village will file a relocation payment plan and relocation assistance service plan with the Department of Commerce and will not proceed with displacement of persons or business concerns until both plans are approved in writing by the Department of Commerce. The Village will also keep records as required in Wisconsin Statutes Section 32.27.

XII. Orderly Development of the Village of Sussex

TID No. 7 and the amended area contribute to the orderly development of the Village by providing the opportunity for continued growth in tax base and job opportunities.

XIII. Attorney Opinion

OPINION OF THE ATTORNEY FOR THE VILLAGE ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES, SECTION 66.1105. LEGAL OPINION ATTACHED.



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Tampa
Tucson
Washington, D.C.

June 8, 2021

Village of Sussex
Village Hall
N64 W23760 Main Street
Sussex, WI 53089

Re: Project Plan Amendment No. 1 for Tax Incremental District No. 7 Project
Plan in the Village of Sussex, Wisconsin

Ladies and Gentlemen:

We have acted as counsel to the Village of Sussex, Wisconsin (the "Village") in connection with the preparation of the proposed Project Plan Amendment No. 1 for Tax Incremental District No. 7 Project Plan in the Village (the "Project Plan Amendment").

In this connection, we have reviewed the Project Plan Amendment, the law and such other documents as we deem necessary to enable us to give this opinion. We have relied on the statements of fact set forth in the Project Plan Amendment, without independent verification. We have not been engaged or undertaken to verify the reasonableness or accuracy of the assumptions, estimates or financial projections contained in the Project Plan Amendment, and express no opinion relating thereto.

Based on our review, it is our opinion that the Project Plan Amendment is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

QUARLES & BRADY LLP

By 
Brian G. Lanser, Partner

VILLAGE BOARD
OF THE
VILLAGE OF SUSSEX, WISCONSIN

RESOLUTION NO. 21-10

A RESOLUTION APPROVING PROJECT PLAN AMENDMENT NO. 1 FOR
TAX INCREMENTAL DISTRICT NO. 7 OF THE
VILLAGE OF SUSSEX, WISCONSIN AND
MAKING CERTAIN FINDINGS WITH RESPECT THERETO

WHEREAS, Tax Incremental District No. 7 (the "District") of the Village of Sussex, Wisconsin (the "Village") was created by the Village in 2018 pursuant to a project plan approved in connection therewith, as an "industrial district" based on a finding that not less than 50% by area of the real property in the District is suitable for industrial sites within the meaning of Section 66.1101 of the Wisconsin Statutes and has been zoned for industrial use;

WHEREAS, under the provisions of Section 66.1105(4)(h) of the Wisconsin Statutes, a community development authority which has been designated to act pursuant to Section 66.1105(3)(f) of the Wisconsin Statutes may, by resolution, adopt an amendment to a project plan, subject to the approval of the local legislative body and the joint review board;

WHEREAS, under the provisions of Section 66.1105(4)(h)2. of the Wisconsin Statutes, a municipality may adopt an amendment to a project plan to modify a district's boundaries not more than four times during the district's existence, by subtracting territory from the district in a way that does not remove contiguity from the district or by adding territory to the district that is contiguous to the district and that is served by public works or improvements that were created as part of the district's project plan;

WHEREAS, the project plan for the District has not been previously amended for the purpose of amending the District's boundaries;

WHEREAS, pursuant to Section 66.1105(4)(h)1. of the Wisconsin Statutes, the Community Development Authority of the Village (the "Community Development Authority") prepared a proposed Amendment No. 1 to the project plan for the District (the "Project Plan Amendment") to amend the boundaries of the District to add additional territory and include additional projects and estimated project costs not included in the original project plan (the "Project Plan");

WHEREAS, the Project Plan, as amended by the Project Plan Amendment, includes (a) a statement listing the kind, number and location of all proposed public works or improvements within the District; (b) an economic feasibility study; (c) a detailed list of estimated project costs; (d) a description of the methods of financing all estimated project costs and the time when the

costs or monetary obligations related thereto are to be incurred; (e) a map showing existing boundaries, uses and conditions of real property in the District; (f) a map showing proposed boundaries, improvements and uses in the District; (g) proposed changes in zoning ordinances, the Village's master plan, map, building codes or ordinances; (h) a list of estimated non-project costs; (i) a statement of the proposed method for the relocation of any persons being displaced; (j) a statement indicating how amendment of the District promotes orderly development of the Village and (k) a legal opinion advising that the Project Plan is complete and complies with Section 66.1105 of the Wisconsin Statutes;

WHEREAS, on May 18, 2021, the Community Development Authority held a public hearing at which all interested parties were afforded a reasonable opportunity to express their views on the District and the proposed Project Plan Amendment;

WHEREAS, on May 18, 2021, the Community Development Authority duly adopted a resolution (the "Adopting Resolution") which adopted the Project Plan Amendment and recommended and submitted it to this Village Board for approval; and

WHEREAS, the Project Plan Amendment, the Project Plan and certified copies of the Adopting Resolution have been presented to this Village Board and reviewed by Village staff and counsel to the Village.

NOW, THEREFORE, be it resolved by the Village Board of the Village of Sussex, Wisconsin, that:

Section 1. Amendment of the District; Approval of Project Plan Amendment. The Project Plan is hereby amended pursuant to and as set forth in Project Plan Amendment with respect thereto, attached as Appendix A hereto and incorporated herein by reference. The Project Plan Amendment is hereby approved pursuant to Section 66.1105(4)(h)1. of the Wisconsin Statutes.

Section 2. Feasibility of Project Plan. Based on the information set forth in the Project Plan Amendment, including the economic feasibility report which is a part of such Project Plan Amendment, this Village Board finds and determines that the Project Plan Amendment is feasible.

Section 3. Conformity with Master Plan. Based on the information set forth in the Project Plan Amendment, this Village Board hereby finds and determines that the Project Plan Amendment is in conformity with the master plan of the Village.

Section 4. Findings Related to Industrial Sites and Development. This Village Board hereby finds and determines as follows:

(a) not less than 50%, by area, of the real property within the entire District, as amended, is suitable for industrial sites and has been zoned for industrial use;

(b) the undertaking of the additional projects included in the Project Plan Amendment is likely to enhance significantly the value of substantially all of the other real property in the entire District;

(c) the estimated project costs included in the Project Plan Amendment directly serve to promote industrial development, consistent with the purpose for which the District has been created and is being amended; and

(d) any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

Consistent with these findings, this Village Board declares that the District remains as an "industrial district" within the meaning of Section 66.1105(4)(gm)6. of the Wisconsin Statutes.

Section 5. Equalized Value. This Village Board hereby finds and determines that the equalized value of taxable property in the territory to be added to the District by virtue of the boundary amendment included as part of the Project Plan Amendment, plus the value increment of all existing tax incremental districts of the Village (including the District), does not exceed 12% of the total equalized value of taxable property within the Village, as based on the most recent equalized value of taxable property reported before the date on which this Resolution is adopted.

Passed: June 8, 2021

Approved: June 8, 2021

President

Attest:

Village Clerk

(SEAL)

APPENDIX A

PROJECT PLAN AMENDMENT NO. 1

(See attached)



Village of Sussex

Tax Increment Financing: TID No. 7

Presented on June 22, 2021

PFM Financial
Advisors LLC

115 South 84th Street
Suite 315
Milwaukee, WI 53214

414-771-2700
pfm.com



TID No. 7 without Amendment - Projected Revenues

Const. Year	Jan. 1 Valuation	Revenue Collection	New Construction	Total Increment	Tax Rate	TID Revenues
2018	2019	2020				-
2019	2020	2021	1,430,300	1,430,300	15.80	22,599
2020	2021	2022	5,033,500	6,463,800	15.80	102,128
2021	2022	2023	17,384,000	23,847,800	15.80	376,795
2022	2023	2024	12,000,000	35,847,800	15.80	566,395
2023	2024	2025	4,052,200	39,900,000	15.80	630,420
2024	2025	2026	5,100,000	45,000,000	15.80	711,000
2025	2026	2027		45,000,000	15.80	711,000
2026	2027	2028		45,000,000	15.80	711,000
2027	2028	2029		45,000,000	15.80	711,000
2028	2029	2030		45,000,000	15.80	711,000
2029	2030	2031		45,000,000	15.80	711,000
2030	2031	2032		45,000,000	15.80	711,000
2031	2032	2033		45,000,000	15.80	711,000
2032	2033	2034		45,000,000	15.80	711,000
2033	2034	2035		45,000,000	15.80	711,000
2034	2035	2036		45,000,000	15.80	711,000
2035	2036	2037		45,000,000	15.80	711,000
2036	2037	2038		45,000,000	15.80	711,000
2037	2038	2039		45,000,000	15.80	711,000
2038	2039	2040		45,000,000	15.80	711,000
			45,000,000			12,363,337



TID No. 7 without Amendment – Annual Surplus

Year	Tax Increment Revenues	Advance Repayment	Project Costs	Annual Surplus	Cumulative Surplus
2020					
2021	22,599	22,599		-	-
2022	102,128	102,128		-	-
2023	376,795	376,795		-	-
2024	566,395	566,395		-	-
2025	630,420	630,420		-	-
2026	711,000	186,102	524,898	-	-
2027	711,000		711,000	-	-
2028	711,000		264,102	446,898	446,898
2029	711,000			711,000	711,000
2030	711,000			711,000	711,000
2031	711,000			711,000	711,000
2032	711,000			711,000	711,000
2033	711,000			711,000	711,000
2034	711,000			711,000	711,000
2035	711,000			711,000	711,000
2036	711,000			711,000	711,000
2037	711,000			711,000	711,000
2038	711,000			711,000	711,000
2039	711,000			711,000	711,000
2040	711,000			711,000	711,000
Total	12,363,337	1,884,439	1,500,000		



TID No. 7 without Amendment – Revenues and Expenditures

Projected TID No. 7 Revenues & Expenses

