

Draft: April 5, 2017

DEVELOPMENT AGREEMENT

AMONG

**REDEVELOPMENT AUTHORITY OF THE
CITY OF SUPERIOR, WISCONSIN**

AND

P & R PLUMBING AND HEATING, INC.

AND

P & R PROPERTIES TWIN PORTS, LLC

DATED AS OF APRIL __, 2017

This document was drafted by:

Fryberger, Buchanan, Smith & Frederick, P.A.
700 Lonsdale Building
302 West Superior Street
Duluth, MN 55802
(218) 722-0861

M:\docs\08493\000303\AGM\15H6633.DOC

TABLE OF CONTENTS

Section 1. Definitions; Exhibits; Rules of Interpretation.....	1
1.01 Definitions.....	1
1.02 Exhibits.....	3
1.03 Rules of Interpretation.....	3
Section 2. Representations and Warranties.....	3
2.01 Representations and Warranties by the Authority.....	3
2.02 Representations and Warranties by the Company.....	4
Section 3. Real Estate.....	4
3.01 Conveyance.....	4
3.02 Conditions Precedent.....	4
3.03 Purchase Price.....	5
3.04 Title.....	5
Section 4. Construction of Improvements; Development Grant.....	5
4.01 Construction Plans.....	5
4.02 Commencement and Completion of Construction.....	5
4.03 Certificate of Completion.....	6
4.04 Development Grants.....	6
Section 5. [Intentionally Omitted].....	6
Section 6. Insurance; Transfer; Indemnification.....	6
6.01 Insurance.....	6
6.02 Prohibitions Against Transfer of Property and Assignment of Agreement.....	7
6.03 Release and Indemnification Covenants.....	8
Section 7. Events of Default.....	9
7.01 Events of Default Defined.....	9
7.02 Remedies on Default.....	9
7.03 No Remedy Exclusive.....	9
7.04 No Additional Waiver Implied by One Waiver.....	10
7.05 Agreement to Pay Attorneys' Fees and Expenses.....	10
Section 8. Additional Provisions.....	10
8.01 Notices and Demands.....	10
8.02 Counterparts.....	11
8.03 Amendments.....	11
8.04 Assignment.....	11
8.05 Termination of Agreement.....	11

DEVELOPMENT AGREEMENT

This Agreement is made and entered into as of this ____ day of April, 2017, by and among the REDEVELOPMENT AUTHORITY OF THE CITY OF SUPERIOR, WISCONSIN (the "Authority"), P & R PLUMBING AND HEATING, INC., a Minnesota corporation ("P & R Plumbing") and P & R PROPERTIES TWIN PORTS, LLC, a Minnesota limited liability company (the "Developer") (P & R Plumbing and the Developer are collectively herein referred to as the "Company").

RECITALS:

WHEREAS, the Authority and the City of Superior, Wisconsin (the "City") have, pursuant to the authority granted in Wisconsin Statutes, Section 66.1333, adopted a Project Area Plan (the "Redevelopment Plan") and designated the boundaries of a Project Area (the "Project Area") known as the Blaine-Central Project Area within the City; and

WHEREAS, the Developer has expressed an interest in purchasing real property located in the Project Area and legally described in **Exhibit A** attached hereto (the "Property"); and

WHEREAS, the Authority and the Company desire to enter into this Agreement regarding the purchase of the Property by the Developer and the Company's construction of a 54-unit apartment building with related parking, to be constructed in accordance with the Construction Plans by the Company upon the Property.

NOW, THEREFORE, in consideration of the promises and mutual obligations of the Parties contained herein, each of them represents, covenants, and agrees with the other as follows:

Section 1. Definitions; Exhibits; Rules of Interpretation.

1.01 Definitions.

"Agreement" means this Development Agreement by and between the Authority and the Company as the same may be from time to time amended.

"Authority" means the Redevelopment Authority of the City of Superior, Wisconsin.

"City" means the City of Superior, Wisconsin.

"Certificate of Completion" means the certification, in the form of the Certificate attached hereto as **Exhibit C**, provided to the Company upon satisfactory completion of the Improvements.

"Closing Date" means the date upon which the Authority and the Company close on the sale of the Property as provided in Section 3.01 hereof, which shall be on June 1, 2017, or such other date mutually agreed to by the Parties.

“Company” means P & R Plumbing and the Developer, or their successors or permitted assigns under this Agreement. The Parties agree that the performance of any duty or responsibility to be undertaken by the Developer, which is performed, undertaken or completed by P & R Plumbing or vice versa shall constitute performance of the “Company” as such performance is required herein. The Authority may look to either or both P & R Plumbing and/or the Developer for performance of the Company’s covenants, obligations and agreements hereunder.

“Construction Plans” means the construction plans and specifications for all work to be performed by the Company to construct the Improvements on the Property pursuant to this Agreement.

“Deed” shall have the meaning set forth in Section 3.01 hereof.

“Developer” means P & R Properties Twin Ports, LLC, a Minnesota limited liability company, or its successors or permitted assigns under this Agreement.

“Improvements” means those improvements as described and specified in the Construction Plans, but generally described as the construction of a 54-unit apartment building and related parking on the Property.

“P & R Plumbing” means P & R Plumbing and Heating, Inc., a Minnesota corporation, or its successors or permitted assigns under this Agreement.

“Party” or “Parties” means one or all of the Authority, the Developer or P & R Plumbing.

“Project” means the Property, as improved by the Improvements.

“Property” means the real property described as the “Property” on **Exhibit A**, attached hereto and made a part hereof.

“Schedule” means the schedule for the elements of the development contemplated by this Agreement as set forth in **Exhibit D**, attached hereto and made a part hereof.

“Sources and Uses Budget” means the Sources and Uses Budget in the form of **Exhibit E** attached thereto, as updated from time to time.

“Termination Date” means the date of issuance of the Certificate of Completion.

“Transfer” shall have the meaning set forth in Section 6.02 hereof.

“Unavoidable Delays” means delays, outside the control of the Party claiming its occurrence, which are the direct result of strikes, other labor troubles, severe or prolonged bad weather, acts of God, fire or other casualty to the improvements being constructed, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local government which directly results in delays.

1.02 Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

- Exhibit A Legal Description of Property
- Exhibit B [Intentionally Omitted]
- Exhibit C Form of Certificate of Completion
- Exhibit D Schedule
- Exhibit E Sources and Uses Budget

1.03 Rules of Interpretation.

A. This Agreement and the other agreements executed by the Parties in connection with the Property shall be interpreted in accordance with and governed by the laws of the State of Wisconsin.

B. The words herein and hereof and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than any particular section or subdivision hereof.

C. References herein to a particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed.

D. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provisions.

E. In the event that any provision or clause of this Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Agreement which can be given effect without the conflicting provisions, and to this end the provision of this Agreement are declared to be severable.

Section 2. Representations and Warranties.

2.01 Representations and Warranties by the Authority. The Authority represents and warrants that:

A. The Authority is a public body, corporate and politic, organized under the laws of the State of Wisconsin.

B. The Authority has the power to enter into this Agreement and carry out its obligations hereunder pursuant to the powers granted to it by the Wisconsin Constitution and State law.

2.02 Representations and Warranties by the Company. The Company represents and warrants that:

A. The Developer is a Minnesota limited liability company duly organized and in good standing under the laws of the State of Minnesota, is not in violation of any provisions of its organizational documents or the laws of the State of Minnesota, is duly qualified to do business in the State of Wisconsin, has power to enter into this Agreement and to perform its obligations hereunder and has duly authorized the execution, delivery, and performance of this Agreement by proper corporate action.

B. P & R Plumbing is a corporation duly organized and in good standing under the laws of the State of Minnesota, is not in violation of any provisions of its organizational documents or the laws of the State of Minnesota, is duly qualified to do business in the State of Wisconsin, has power to enter into this Agreement and to perform its obligations hereunder, and has duly authorized the execution, delivery, and performance of this Agreement by proper corporate action.

C. The Company will construct the Improvements upon the Property in accordance with the terms of this Agreement.

D. The Company will use its best efforts to obtain, in a timely manner, all required permits, licenses and approvals, and to meet, in a timely manner, all requirements of applicable local, state and federal laws and regulations which must be obtained or met before the Improvements may be lawfully constructed.

E. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any restriction of the Company, or any indebtedness, agreement or instrument of whatever nature to which the Company, is now a party or by which it is bound, or will constitute a default under any of the foregoing.

Section 3. Real Estate.

3.01 Conveyance. On the Closing Date, unless otherwise agreed by the Parties, the Authority shall convey title and possession of the Property to the Developer under a quit claim deed (the “Deed”). The Authority shall convey the Property “as is” as of the Closing Date and the Authority and the City make no warranty as to the condition of the Property or its suitability for the purposes of the Company (excepting therefrom any representations or warranties contained in Section 2 of this Agreement). The Company’s use of the Property shall be subject to all building and zoning laws and ordinances and all other local, state and federal laws and regulations.

3.02 Conditions Precedent. The Authority’s obligation to convey the Property to the Developer shall be subject to satisfaction of the following conditions precedent:

(i) The Company shall demonstrate, by way of a letter of commitment or other formal assurance, that it has received approval for all financing necessary (as outlined in the Sources and Uses Budget) to construct the Improvements; and

(ii) The Company shall be in material compliance with all the terms and provisions of this Agreement.

The Company agrees that if, by August 1, 2017, the conditions precedent provided hereinabove are not satisfied, the Authority shall have no obligation under this Agreement to convey the Property to the Developer.

3.03 Purchase Price. On the Closing Date, the Company shall pay the Authority \$157,700 as the purchase price for the Authority's interest in the Property; such amount being the fair market value of the Property. Unless otherwise mutually agreed by the Authority and the Company, the closing shall be made at the Government Center, 1316 North 14th Street, Superior, Wisconsin. The Deed shall be promptly recorded. The Company shall pay all costs for recording the Deed.

3.04 Title. The Authority shall voluntarily take no actions to encumber title, or fail to take any necessary actions to prevent encumbrance of title, to the Property before the time at which the Deed is delivered to the Developer. If requested, the Authority shall assist the Developer in obtaining a title insurance policy on the Property at the Developer's expense. Upon delivery of the Deed to the Developer pursuant to this Section, all responsibilities and liabilities whatsoever with respect to title to the Property shall from such date forward be the sole responsibility of the Company. At closing, subject to the Authority's review and approval, the Authority agrees to execute all documents required by a seller of real property under Wisconsin law or reasonably required by the Company's title insurer.

Section 4. Construction of Improvements; Development Grant.

4.01 Construction Plans. Prior to the Closing Date, the Company shall submit to the Authority the plans for the construction of the Improvements. Such plans include the following: (a) site plans; (b) floor plans; and (c) elevations (the "Construction Plans"), and shall provide for the construction of a 54-unit apartment building and related parking at a cost totaling approximately \$6,025,000. The Company agrees that it will construct the Improvements on the Property in substantial conformance with the Construction Plans. The Company agrees that the scope and scale of the Improvements to be constructed shall not be significantly less than the scope and scale of the Improvements as detailed and outlined in the Construction Plans.

4.02 Commencement and Completion of Construction. Subject to Unavoidable Delays, the Company shall commence construction of the Improvements on the Property: (a) by August 1, 2017; or (b) by such other date as the Parties shall mutually agree to in writing. Subject to Unavoidable Delays, the Company shall have substantially completed the construction of the Improvements prior to December 31, 2018. All work with respect to the Improvements to be constructed or provided by the Company on the Property shall be in substantial conformity with the Construction Plans.

The Company agrees for itself and every successor in interest to the Property, or any part thereof, that the Company, and such successors and assigns, shall promptly begin and diligently proceed to complete construction of the Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section.

4.03 Certificate of Completion. Promptly after completion of the Improvements in accordance with the provisions of this Agreement, the Authority will furnish the Company with a Certificate of Completion, in substantially the form set forth in **Exhibit C** attached hereto. Such Certificate of Completion shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligations of the Company, and its successors and assigns, to construct the Improvements. The Authority reserves the right to issue the Certificate of Completion if the Improvements are completed, except for items which cannot be completed due to weather, and the Authority and the Company enter into an escrow agreement to assure full completion of the Improvements.

4.04 Development Grants. Upon the Authority issuing the Certificate of Completion, the Authority shall pay the Company development grants in the aggregate amount of \$250,000 consisting of a \$125,000 grant from the Authority and a \$125,000 grant from the City's development fund.

Section 5. Intentionally Omitted.

Section 6. Insurance; Transfer; Indemnification.

6.01 Insurance.

A. The Company will provide and maintain, or cause to be maintained by its contractor, at all times during the process of construction of the Improvements through the Termination Date an "All Risk Broad Form Basis" insurance policy (upon which the Authority shall be listed as an additional insured) and from time to time during that period at the request of the Authority, furnish the Authority with proof of payment of premiums on policies covering the following:

(i) Builder's risk insurance, written on the so-called "Builder's Risk--Completed Value Basis," in an amount equal to 100% of the insurable value of the Improvements at the date of completion, and with coverage available in nonreporting form on the so-called "all risk" form of policy; the interest of the Authority shall be protected in accordance with a clause in form and content satisfactory to the Authority; and

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Protective Liability Policy with limits against injury and property damage of not less than \$1,000,000 for each occurrence (to accomplish the above-required limits an umbrella excess liability policy may be used).

B. All insurance required by this Section shall be taken out and maintained in responsible insurance companies selected by the Company which are authorized under the laws of the State of Wisconsin to assume the risks covered thereby. Upon request, the Company will deposit annually with the Authority copies of policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Section, each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Company and the Authority at least 10 days before the cancellation or modification becomes effective. In lieu of separate policies, the Company may maintain a single policy, blanket or umbrella policy, or a combination thereof, having the coverage required herein, in which event the Company shall deposit with the Authority a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Improvements.

C. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required hereby, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Authority. All policies evidencing insurance required by this subparagraph with respect to the Improvements shall be carried in the names of the Company, the Authority and the holder of any Mortgage, as their respective interests may appear.

6.02 Prohibitions Against Transfer of Property and Assignment of Agreement. The Company represents and agrees that:

A. Except only by way of security for the purposes of obtaining financing necessary to enable the Company or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to making the Improvements under this Agreement, and any other purpose authorized by the Agreement, the Company (except as so authorized) has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease (other than residential tenant leases), or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same (collectively, a "Transfer"), to any person or entity, without the prior written approval of the Authority; provided that if the Company remains liable and bound by this Agreement, the Authority's approval is not required. Any such Transfer shall be subject to the provisions of this Agreement; provided, however, the Authority will, at the request of a first mortgage lender, subordinate the Company's obligation to obtain such consent under this Section 6.02A pursuant to a subordination agreement reasonably acceptable to the Authority and such lender. This restriction on Transfer shall terminate upon the Authority's issuance of the Certificate of Completion.

B. In the event the Company upon a Transfer seeks to be released from and seeks to assign its rights and obligations under this Agreement as to the portions of the Property that are transferred or assigned, the Authority shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval or release that:

(i) Any proposed transferee shall have the qualifications, in the reasonable judgment of the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Company. The criteria to be considered by the Authority in determining the qualifications for any proposed transferee shall be such transferee's ability to complete construction of the Improvements, and to operate and maintain the Project.

(ii) Any proposed transferee, by instrument in writing satisfactory to the Authority in form recordable among the land records, shall, for itself and its successors and assigns, expressly assume all of the obligations of the Company under this Agreement as to the portion of the Property subject to the Transfer and agree to be subject to all the conditions and restrictions to which the Company is subject as to such portion; unless the Company agrees to continue to fulfill those obligations, in which case the provisions of Section 6.02A. shall not apply.

(iii) There shall be submitted to the Authority for review and prior written approval all instruments and other legal documents involved in effecting the Transfer of any interest in this Agreement or the Property.

(iv) In the absence of a specific written agreement by the Authority to the contrary, no such Transfer or approval by the Authority thereof shall be deemed to relieve the Company or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Improvements or from any of its obligations with respect thereto.

C. In the event the foregoing conditions are satisfied, then the Company shall be released from its obligations under this Agreement as to the portion of the Property subject to the Transfer.

6.03 Release and Indemnification Covenants.

A. The Company releases from and covenants and agrees that the Authority and the City and their governing body members, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees (hereinafter, for purposes of this Section, collectively the "indemnified parties") shall not be liable for and agrees to indemnify and hold harmless the indemnified parties against (i) any loss or damage to property or any injury to or death of any person resulting from any defect in the Property and/or the Improvements, and (ii) any loss, damage, liability or claim therefore concerning contaminated soil on the Property.

B. Except for any willful misrepresentation or any willful or wanton misconduct of the indemnified parties, the Company agrees to protect and defend the indemnified parties now and forever and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Property and/or the Improvements.

C. The indemnified parties shall not be liable for any damage or injury to the persons or property of the Company or its officers, agents, servants, or employees or any other person who may be about the Property or the Improvements due to any act of negligence of any person; provided, that nothing contained herein shall be interpreted to alter the liability of the indemnified parties for any damage or injury to the persons or property of the Company or its officers, agents, servants, or employees or any other person who may be about the Property or the Improvements caused by any willful act of the indemnified parties.

D. This Section shall survive the termination of this Agreement.

Section 7. Events of Default.

7.01 Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events:

A. Failure by the Company to commence and complete construction of the Improvements pursuant to the terms, conditions and limitations of Section 4 hereof.

B. Failure by the Company to observe or perform any covenant, condition, obligation or agreement on their part to be observed or performed under this Agreement.

7.02 Remedies on Default. Whenever any Event of Default referred to in Section 7.01 hereof occurs, the Authority, as specified below, may take any one or more of the following actions after provision of thirty (30) days’ written notice by the Authority to the Company of the Event of Default , but only if the Event of Default has not been cured within said thirty (30) days or if the Event of Default cannot be cured within thirty (30) days, the Company does not provide assurances to the Authority reasonably satisfactory to the Authority that the Event of Default will be cured as soon as reasonably possible:

A. The Authority may suspend its performance under the Agreement until it receives assurances from the Company, deemed adequate by the Authority, that the Company will cure its default and continue its performance under the Agreement.

B. The Authority may withhold the Certificate of Completion until the Event of Default is cured by the Company.

C. The Authority may take whatever action, including legal or administrative action, which may appear necessary or desirable to the Authority to enforce performance and observance of any obligations, agreements or covenants of the Company under this Agreement.

7.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a

waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

7.04 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by any Party and thereafter waived by any other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

7.05 Agreement to Pay Attorneys' Fees and Expenses. Whenever any Event of Default occurs and the Authority shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it shall, on demand therefore, pay to the Authority the reasonable fees of such attorneys and such other expenses so incurred by the Authority; provided that if a lawsuit or other civil actions is instituted between the Parties, the Party which does not prevail shall pay to the prevailing Party the reasonable fees of attorneys and other expenses so incurred by the prevailing Party and if the Authority is not the prevailing Party in such a lawsuit or action the Authority shall have no claim under this Section.

Section 8. Additional Provisions.

8.01 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any Party to the others shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

A. In the case of the Company, is addressed or delivered personally to:

P & R Plumbing and Heating, Inc.
P & R Properties Twin Ports, LLC
2306 West Superior Street
Duluth, MN 55806
Attention: Ryan Nelson

With a copy to:

Kenneth Bulter
Kenneth D. Butler Ltd.
11 E. Superior Street, Suite 555
Duluth, MN 55802

B. In the case of the Authority, is addressed to or delivered personally to the:

Redevelopment Authority of the City of Superior
Government Center
1316 North 14th Street

Superior, Wisconsin 54880
Attention: Executive Director

or at such other addresses as either Party may, from time to time, designate in writing and forward to the other Party as provided in this Section.

8.02 Counterparts. This Agreement is executed in any number of counterparts, each of which shall constitute one and the same instrument.

8.03 Amendments. Neither this Agreement, nor any other document to which the Company and the Authority are a party, relating to the development contemplated by this Agreement, may be effectively amended, changed, modified, altered or terminated, except upon the written agreement of the Authority and the Company.

8.04 Assignment. This Agreement may not be assigned by either Party without the consent of the other Party.

8.05 Termination of Agreement. This Agreement shall terminate on the earlier of the date of termination under Section 3.02 or the Termination Date.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf and its seal to be hereunto duly affixed and the Company has caused this Agreement to be executed in its name and behalf, on or as of the date first above written.

**REDEVELOPMENT AUTHORITY OF THE
CITY OF SUPERIOR, WISCONSIN**

By _____
Vice-Chair

By _____
Executive Director

P & R PLUMBING AND HEATING, INC.

By _____
Its _____

P & R PROPERTIES TWIN PORTS, LLC

By _____
Its _____

**EXHIBIT A
TO DEVELOPMENT AGREEMENT**

PROPERTY LEGAL DESCRIPTION

West 65 feet 4 inches of Lots 26, 27 & 28, Block 144, Burhan's Addition to West Superior, As such lots remain after the widening of Lamborn (Now Grand) Avenue as condemned by City Ordinance recorded in Volume G of Agreements Page 556 (Which reduced the length of said Lots), all in the City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: Parcel 05-805-02377-00

Lots 6, 7 and Fractional 8, Block 260, West Superior 13th Division, in the City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: Parcel 05-805-00270-00

Lots 1 thru 5, Block 260, West Superior 13th Division, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-00264-00

Lots 23 thru 28, except the West 65 feet 4 inches of Lots 26, 27 & 28, Block 144, Burhan's Addition to West Superior, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-02374-00

Fractional Lots 23 thru 28, Block 260, West Superior 13th Division, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-00275-00

**EXHIBIT B
TO DEVELOPMENT AGREEMENT**

[Intentionally Omitted]

EXHIBIT C
TO DEVELOPMENT AGREEMENT
FORM CERTIFICATE OF COMPLETION

CERTIFICATE OF COMPLETION

WHEREAS, by a Development Agreement (the “Agreement”) dated as of September 16, 2015, entered into by and between the Redevelopment Authority of the City of Superior, Wisconsin (the “Authority”), P & R Plumbing and Heating, Inc. (“P & R Plumbing”) and P & R Properties Twin Ports, LLC (“the Developer”) (P & R Plumbing and the Developer are collectively herein referred to as the “Company”), the Company has developed the real property (the “Property”) described on the attached **Exhibit A**, by construction or causing to be constructed, the Improvements thereon according to the terms and conditions of the Agreement;

WHEREAS, pursuant to the Agreement, promptly after completion of all work of construction to be completed by the Company upon the Property, the Authority shall furnish the Company with a Certificate of Completion upon written request therefore by the Company;

WHEREAS, the issuance by the Authority of the Certificate of Completion shall be conclusive evidence that the Company has complied with the terms of the Agreement pertaining to construction of the Improvements on the Property;

WHEREAS, the Company has requested that the Authority furnish the Company with the Certificate of Completion; and

WHEREAS, the Authority has conclusively determined that the work of construction of the Improvements on the Property, as required by the Agreement has been satisfactorily completed.

NOW, THEREFORE, be it resolved:

1. As provided in the Agreement, the Authority does hereby certify that construction of the Improvements on the Property have been fully and satisfactorily performed and completed, and that such construction work is in full compliance with the terms, provisions and conditions established in the Agreement.
2. The Agreement is therefore of no further force and effect, and all rights, duties, obligations, and liabilities of the Authority and the Company thereunder regarding initial construction of the Improvements shall cease to exist. Any continuing and existing rights, duties, obligations and liabilities provided in the Agreement, if any, shall continue to remain in force and effect.
3. This Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Company to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the work of construction and development of the Improvements on the Property, or any part thereof. This Certificate of Completion is not a notice of completion as referenced in Wisconsin Statutes.

IN WITNESS WHEREOF, the Authority has executed this Certificate of Completion as of this _____ day of _____, 201__.

**REDEVELOPMENT AUTHORITY OF THE
CITY OF SUPERIOR, WISCONSIN**

By _____
Chair

By _____
Executive Director

ACCEPTED BY:

P & R PLUMBING AND HEATING, INC.

By _____
Its _____

P & R PROPERTIES TWIN PORTS, LLC

By _____
Its _____

**EXHIBIT A
TO CERTIFICATE OF COMPLETION**

PROPERTY LEGAL DESCRIPTION

West 65 feet 4 inches of Lots 26, 27 & 28, Block 144, Burhan's Addition to West Superior, As such lots remain after the widening of Lamborn (Now Grand) Avenue as condemned by City Ordinance recorded in Volume G of Agreements Page 556 (Which reduced the length of said Lots), all in the City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: Parcel 05-805-02377-00

Lots 6, 7 and Fractional 8, Block 260, West Superior 13th Division, in the City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: Parcel 05-805-00270-00

Lots 1 thru 5, Block 260, West Superior 13th Division, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-00264-00

Lots 23 thru 28, except the West 65 feet 4 inches of Lots 26, 27 & 28, Block 144, Burhan's Addition to West Superior, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-02374-00

Fractional Lots 23 thru 28, Block 260, West Superior 13th Division, City of Superior, Douglas County, Wisconsin.

Tax Parcel Code: 05-805-00275-00

EXHIBIT D
TO DEVELOPMENT AGREEMENT
SCHEDULE

Activity Required	Date
Authority delivers Deed	June 1, 2017
Construction Plans Approved	June 1, 2017
Company commences construction of Improvements	August 1, 2017
Completion of Private Improvements	December 31, 2018
Authority signs Certificate of Completion	January 2019

EXHIBIT E
TO DEVELOPMENT AGREEMENT
SOURCES AND USES BUDGET

SOURCES OF FUNDS	
Bank Loan	\$4,884,000.00
Redevelopment Authority	\$250,000.00
Company Contribution	\$891,000.00
TOTAL SOURCES OF FUNDS	\$6,025,000.00

USES OF FUNDS	
Design and Construction Costs	\$5,867,300.00
Land Purchase	\$157,700.00
TOTAL USES OF FUNDS	\$6,025,000.00