

**RESOLUTION NO. 2017-82**

**RESOLUTION BY THE COMMITTEE OF THE WHOLE AUTHORIZING A DEVELOPMENT AGREEMENT BY AND AMONG THE VILLAGE OF MOUNT PLEASANT, RACINE COUNTY, AND SIO INTERNATIONAL WISCONSIN, INC., FEWI DEVELOPMENT CORPORATION, AND AFE, INC., TO ESTABLISH A LONG-TERM MUTUALLY BENEFICIAL RELATIONSHIP TO IMPLEMENT A TRANSFORMATIONAL AND SUSTAINABLE HIGH-TECH MANUFACTURING AND TECHNOLOGY ECOSYSTEM IN THE VILLAGE OF MOUNT PLEASANT, RACINE COUNTY, AND TRANSFER OF APPROXIMATELY \$76,000,000.00 WITHIN CAPITAL PROJECTS 2017 BUDGET**

**WHEREAS**, the Village of Mount Pleasant (“Village”), Racine County (“County”), and SIO International Wisconsin, Inc., FEWI Development Corporation, and AFE, Inc. (collectively, “Foxconn”) agree that a long-term mutually beneficial relationship should be established to implement a transformational and sustainable high-tech manufacturing and technology ecosystem in the Village and County;

**WHEREAS**, the Village Board has approved a Project Map and Project Plan (the “TIF Plan”) for the creation of Tax Incremental District No. 5 (the “TID”), as an Industrial District, on November 20, 2017, under the power of Wisconsin Statutes Section 66.1105 (the “TIF Law”), as amended in part by certain provisions of 2017 Wisconsin Act 58 (“Act 58”), in order to finance various project costs within the TID, and for the benefit of the TID, as permitted by the TIF Law;

**WHEREAS**, the TIF Plan designates the boundaries of the TID, and which are identified in the TIF Plan as Area I (“Area I”), Area II (“Area II”), Area III (“Area III”), and the North Area (“North Area”) (collectively, the “TID Area”);

**WHEREAS**, the Wisconsin Economic Development Corporation (“WEDC”) has designated an Electronics and Information Technology Manufacturing Zone (the “Zone”) consistent with Act 58, which includes the area designated in the TIF Plan, and WEDC and Foxconn entered into an Electronics and Information Technology Manufacturing Zone Tax Credit Agreement as of November 10, 2017, setting forth WEDC’s and Foxconn’s respective obligations relating to the Zone and Act 58;

**WHEREAS**, Foxconn is intending to establish and operate a transformational and sustainable high-tech manufacturing and technology ecosystem in the TID;

**WHEREAS**, the powers of, and the goals and objectives for the TID, include encouraging private improvements and undertaking public improvements, and which TIF Plan provides in part for the financing of certain real estate acquisitions and sales, improvements and public improvements within and outside the TID;

**WHEREAS**, the Village and County have found and determined that the economic vitality of the TID is essential to their current and future economic health;

**WHEREAS**, Foxconn intends to purchase all of the available property located in area I (other than that needed for rights of way) and some or all of the property in Area II and Area III from the Village, and cause to be built thereon, the Generation 10.5 TFT-LCD Fabrication Facility and certain industrial plants and other improvements, in reliance on the commitments made by the Municipalities;

3 **WHEREAS**, in order to induce Foxconn to undertake the project and in reliance  
4 upon the commitments of Foxconn, the Village and County intend to undertake certain  
5 obligations;

6 **WHEREAS**, the Village, the County, and Foxconn's affiliate, FE Holdings USA,  
7 Inc., entered into a Memorandum of Understanding ("MOU") dated October 4, 2017;

8 **WHEREAS**, the parties intend that the Development Agreement by and among  
9 the Village of Mount Pleasant, Racine County, and SIO International Wisconsin, Inc.,  
10 FEWI Development Corporation, and AFE, Inc. (hereinafter "Development Agreement")  
11 reflect the final agreements between them related to the topics contained in the MOU,  
12 and that the Development Agreement, when signed, shall contain the final terms  
13 between the parties related to the topics in the MOU;

14 **WHEREAS**, the Development Agreement has been presented to the County  
15 Board of Supervisors (the "Governing Body");

16 **WHEREAS**, this Governing Body deems it to be advisable for the County to  
17 adopt and enter into the Development Agreement for the purpose of implementing a  
18 transformational and sustainable high-tech manufacturing and technology ecosystem in  
19 the Village and County, exercising jointly with the Village its power to undertake and  
20 finance components of the project; and

21 **NOW, THEREFORE, BE IT RESOLVED** that the County shall join with the  
22 Village in accordance with the Development Agreement by adopting and entering into  
23 the Development Agreement in substantially the form presented to this meeting and  
24 attached as Exhibit A to this Resolution, subject to final nonsubstantive edits deemed  
25 necessary and appropriate by the Corporation Counsel. The officers of the County are  
26 authorized to take such actions and execute any and all such documents as they may  
27 deem necessary and appropriate to effectuate the entry of the County into the  
28 Development Agreement;

29 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that  
30 the County is authorized to convey to the Village the purchase price for all available  
31 property in Area I, which is reasonably estimated to aggregate approximately \$76  
32 million, inclusive of normal and customary out of pocket expenses such as brokers fees,  
33 closing costs, title insurance premiums and fees, escrow fees, attorneys' fees, transfer  
34 fees and tax proration as well as relocation expenses, and which shall be reimbursed  
35 by Area I Special Assessments in accordance with the Development Agreement; and

36 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that  
37 the transfer of funds as set forth in Exhibit "B," that is attached hereto, within the Capital  
38 Projects 2017 Budget is authorized and approved.

39  
40 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that  
41 any two of the County Executive, the County Clerk and/or the County Board Chairman  
42 are authorized to execute any contracts, agreements, or other documents necessary to  
43 carry out the intent of this resolution.

4  
5 Respectfully submitted,

6  
7 1st Reading \_\_\_\_\_

**COMMITTEE OF THE WHOLE**

8  
9 2nd Reading \_\_\_\_\_

\_\_\_\_\_  
Russell A. Clark

10  
11 BOARD ACTION  
12 Adopted \_\_\_\_\_  
13 For \_\_\_\_\_  
14 Against \_\_\_\_\_  
15 Absent \_\_\_\_\_

16 VOTE REQUIRED: 2/3  
17 Prepared by: Corporation Counsel

18 \_\_\_\_\_  
19 Donnie Snow

\_\_\_\_\_  
Kiana K. Johnson

20 \_\_\_\_\_  
21 Monte Osterman

\_\_\_\_\_  
Melissa Kaprelian-Becker

22 \_\_\_\_\_  
23 Q.A. Shakoor, II

\_\_\_\_\_  
Brett A. Nielsen

24 \_\_\_\_\_  
25 Pamela Zenner-Richards

\_\_\_\_\_  
Janet Bernberg

26 \_\_\_\_\_  
27 Robert N. Miller

\_\_\_\_\_  
Ronald Molnar

28 \_\_\_\_\_  
29 Mark M. Gleason

\_\_\_\_\_  
Katherine Buske

30 \_\_\_\_\_  
31 John Wisch

\_\_\_\_\_  
Scott Maier

32 \_\_\_\_\_  
33 Robert D. Grove

\_\_\_\_\_  
Thomas E. Roanhouse

34 \_\_\_\_\_  
35 Tom Hincz

\_\_\_\_\_  
Thomas Pringle

36 \_\_\_\_\_  
37 Mike Dawson

\_\_\_\_\_  
David Cooke

38 The foregoing legislation adopted by the County Board of Supervisors of  
39 Racine County, Wisconsin, is hereby:

40 Approved: \_\_\_\_\_

41 Vetoed: \_\_\_\_\_

42 Date: \_\_\_\_\_,

43  
44 \_\_\_\_\_ Jonathan Delagrave, County Executive

EXHIBIT A  
Development Agreement

(See attached)





**DEVELOPMENT AGREEMENT  
FOXCONN PROJECT**

**THIS DEVELOPMENT AGREEMENT** (“Agreement”) is made by and among the Village of Mount Pleasant (“Village”), a Wisconsin municipal corporation, Racine County, a Wisconsin municipal corporation (“County” and, together with the Village, the “Municipalities”) and SIO International Wisconsin, Inc., a Wisconsin corporation, FEWI Development Corporation, a Wisconsin corporation, and AFE, Inc., a Wisconsin corporation (collectively, “Foxconn” or the “Developer”) as of December 15, 2017 (the “Effective Date”).

**WITNESSETH:**

**WHEREAS**, the parties hereto agree that a long-term mutually beneficial relationship should be established to implement a transformational and sustainable high-tech manufacturing and technology ecosystem in the Village and County; and

**WHEREAS**, the Village Board of the Village has approved a Project Map and Project Plan (the “TIF Plan”) for the creation of Tax Incremental District No. 5 (the “TID”), as an Industrial District, on November 20, 2017, under the power of Wisconsin Statutes Section 66.1105 (the “TIF Law”), as amended in part by certain provisions of 2017 Wisconsin Act 58 (“Act 58”), in order to finance various project costs within the TID, and for the benefit of the TID, as permitted by the TIF Law; and

**WHEREAS**, the TIF Plan designates the boundaries of the TID, which are shown on Exhibit A, and which are identified in the TIF Plan as Area I (“Area I”), Area II (“Area II”), Area III (“Area III”) and the North Area (“North Area”) (collectively, the “TID Area”), all as shown on Exhibit A; and

**WHEREAS**, the Wisconsin Economic Development Corporation (“WEDC”) has designated an Electronics and Information Technology Manufacturing Zone (the “Zone”) consistent with Act 58, which includes the TID Area, and WEDC and the Developer entered into an Electronics and Information Technology Manufacturing Zone Tax Credit Agreement as of November 10, 2017, (the “WEDC Contract”), setting forth WEDC's and the Developer's respective obligations relating to such Zone and Act 58; and

**WHEREAS**, the Developer is intending to establish and operate a transformational and sustainable high-tech manufacturing and technology ecosystem in Area I, Area II and Area III (the “Project Areas”) which Project Areas are shown on Exhibit B; and intends to build the Facility defined below; and

**WHEREAS**, the powers of, and the goals and objectives for the TID, are set forth in the TIF Plan, and include encouraging private improvements and undertaking public improvements as identified therein, and which TIF Plan provides in part for the financing of certain real estate acquisitions and sales, improvements and public improvements within and outside the TID; and

**WHEREAS**, the Municipalities have, after study and hearings, found and determined that the economic vitality of the TID is essential to the current and future economic health of the Municipalities; and

**WHEREAS**, the Developer intends to purchase all of the available property located in Area I (other than that needed for rights of way) and some or all of the property in Area II and Area III from the Village, in the manner provided herein, and cause to be built thereon, the Facility and certain industrial plants and other improvements, in reliance on the commitments made by the Municipalities in this Agreement; and

**WHEREAS**, in order to induce Developer to undertake the Project as defined herein and in reliance upon the commitments of Developer, the Municipalities intend to undertake the obligations herein; and

**WHEREAS**, Developer is in the process of finalizing the site plan for the first portion of the Project in Area I, and Developer will submit the same to the Municipalities (including site plan footprints and building floor grades/elevations for water and sewer connections) not later than December 1, 2017. The tentative site plan for the first portion of the Facility is attached hereto as **Exhibit C** (“Tentative First Phase Site Plan”), and the final site plan and related plans for the Facility will be approved through the development approval process set forth in applicable Village code; and

**WHEREAS**, the Village, the County, and Developer's affiliate, FE Holdings USA, Inc., entered into a Memorandum of Understanding dated October 4, 2017 (“MOU”), and the parties intend that this Agreement reflect the final agreements between them related to the topics contained in the MOU, and that this Agreement, when signed, shall contain the final terms between the parties hereto related to the topics in the MOU; and

**WHEREAS**, Act 58 contained terms which only were effective to modify the TIF Law, for properties located within the Zone; and

**WHEREAS**, the Village on November 27, 2017 authorized its representatives to execute this Agreement on behalf of the Village, the County on November 28, 2017 authorized its representatives to execute this Agreement on behalf of the County, and the Developer on \_\_\_\_\_, 2017 authorized its representatives to execute this Agreement on behalf of the Developer, providing for certain duties and responsibilities of the Municipalities and the Developer.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein exchanged, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

#### **SECTION I – GENERAL PROVISIONS: PURPOSE**

1. **Incorporation of Exhibits.** All Exhibits referenced herein, are incorporated by reference herein, whether or not herein enumerated.

2. **Entire Agreement.** This writing including all Exhibits hereto, and the other documents and agreements referenced herein, constitutes the entire Agreement among the parties hereto in respect to the Project, the MOU and all prior letters of intent or letters of assistance or offers, if any, are hereby merged into this Agreement. However, this Agreement shall be deemed and read to include and incorporate all of the Exhibits hereto and any related approvals of the Municipalities, as referenced in this Agreement, and in the event of a conflict between this Agreement and any action of the Municipalities, granting approvals or conditions attendant with such approval, the language contained herein shall be deemed controlling.

3. **Project.** The parties agree to establish a long-term mutually beneficial relationship to implement a transformational and sustainable high-tech manufacturing and technology ecosystem in the Village and County (the "Project"). Within Area I, the Developer will invest approximately \$10 billion to construct and equip the Facility, including approximately \$5.570 billion in direct construction expenditures, and proceed to complete construction of such Facility within Area I within an approximate seven year period, commencing no later than January 1, 2019.

4. **Purpose of the Agreement.** In order to carry out the purposes of the Project and the TIF Plan, the parties have agreed upon a plan whereby the Developer will undertake the Project in the Project Areas as defined herein. In order to cause the Project to occur and to induce Developer to undertake the Project, to promote community development and redevelopment and job creation and to expand and enhance the tax base within the Village, the Village intends to undertake certain project costs, acquire certain property, assist in the acquisition of other properties, assist Developer in the development and redevelopment of certain property in the Project Areas, by undertaking the Village Development Work, and to undertake the TID Public Improvements, which are deemed to be in the public interest, and to serve the general public all as set forth in this Agreement and in the TIF Plan. The County intends to assist the Village in funding certain property acquisition costs and TID Public Improvements. The Municipalities intend to recover the costs of the obligations they are undertaking from the revenues set forth in this Agreement, including amounts received from the sale of property to others, increased tax revenues generated in the TID Area, the Area I Special Assessment, the Area II/III Special Assessment, and Makeup Payments. The parties intend to enter into this Agreement to record the understandings and undertakings of the parties and to provide a framework within which the Project may proceed.

## SECTION II – PRELIMINARY OBLIGATIONS

1. **Joint Municipal Activities.** The Municipalities have entered into the Intergovernmental Cooperation Agreement dated on the date hereof and attached hereto as **Exhibit D** (the "ICA") to form an intergovernmental commission to be named the "Racine County/Village of Mount Pleasant Regional Economic Development Commission" (the "Commission").

2. **DOT Roadway Funding.** The Municipalities have entered into binding agreements with the State of Wisconsin Department of Transportation ("DOT") and various jurisdictional transfer agreements related thereto, all attached hereto as **Exhibit E**, sufficient to undertake certain roadway improvements on County Trunk Highways H and KR, International Drive and Braun Road, as specified therein, without recourse to the TIF Plan funds or any other special assessment or charge to Developer or on the portions of the Project Areas to be acquired by Developer. No

portion of the roadway work undertaken by DOT in such agreements (other than roadwork included in the TID Public Improvements as defined herein and listed on pages 28 and 32 of the TIF Plan), or in other agreements between the Municipalities and DOT executed during the life of the TID and relating to TID Public Improvements, shall be included in any financing or bonding, the repayment of which has a higher Priority in the Flow of Funds Chart reference herein, than the Developer Available Tax Increment.

3. **Zoning.** The Village has adopted an ordinance on November 13, 2017 rezoning all of the land within the Project Areas to Business Park, the citation to which ordinance, and the permitted uses under such zoning category, are attached hereto as **Exhibit F**.

4. **WEDC Contract.** The Developer has entered into the WEDC Contract.

### **SECTION III -*Intentionally Omitted***

### **SECTION IV - OBLIGATIONS OF THE MUNICIPALITIES**

1. **Project Areas.** The Village represents and warrants to the Developer that the Village has options to purchase all of those properties in the Project Areas labelled as "Option Parcels" on the map attached hereto as **Exhibit H**. The Village represents and warrants to the Developer that the Village has or covenants that it will acquire all of those properties in the Project Areas labelled as "To Be Acquired Parcels" on the map attached hereto as **Exhibit H** (as well as parcels in the Village of Sturtevant shown on Exhibit H needed for the TID Public Improvements). The Village will acquire, subject to Force Majeure, all of those properties in the Project Areas labelled as "Desired Properties" on the map attached hereto as **Exhibit H**.

2. **Acquisition of Option Parcels.** Village shall exercise all of the options on the Option Parcels, on or before December 29, 2017, shall close on the purchase of the Option Parcels by February 15, 2018 and shall obtain occupancy of the Option Parcels by May 15, 2018. The Village shall cooperate with the Developer to close and deliver occupancy by April 15, 2018 of the two parcels impacted by the footprint of Developer's first proposed building as shown on the Tentative First Phase Site Plan, subject to the terms of the Options.

3. **Intergovernmental Commission.** Village and the County entered into the ICA with the power and authority to form the Commission to carry out the obligations of the Commission set forth in the ICA, and required herein ("Commission Obligations"). The Commission Obligations shall include facilitating the acquisition of properties in Area II and Area III, and title to any properties in Area II and Area III acquired in the name of the Village shall be held on behalf, and for the benefit of, the Municipalities.

4. **Acquisition of To Be Acquired Parcels.** Village shall acquire all To Be Acquired Parcels in the Project Areas on or before August 1, 2018.

5. **Acquisition of Desired Properties.** Village shall acquire the Desired Properties in Area I by August 1, 2018, subject to Force Majeure, or such other later date as is mutually agreed to between the Municipalities and Developer. Village shall acquire the Desired Parcels in Area III by April 1, 2019, subject to Force Majeure or such other later date as is mutually agreed to between the Municipalities and the Developer. Village shall acquire the Desired Parcels in Area

II by August 1, 2019, subject to Force Majeure or such other later date as is mutually agreed to between the Municipalities and Developer. Occupancy as to each parcel shall be acquired no later than 90 days after the acquisition date.

**6. Purchase Prices and Funding.**

a. The purchase price for all available property in Area I is reasonably estimated to aggregate approximately \$76 million, inclusive of normal and customary out of pocket expenses such as brokers fees, closing costs, title insurance premiums and fees, escrow fees, attorneys' fees, transfer fees and tax prorations as well as relocation expenses (collectively, "Acquisition Costs"). The sum of all Acquisition Costs actually incurred to acquire and convey all properties within Area I, without any minimum or maximum, shall be the "Area I Purchase Price." The Area I Purchase Price initially shall be funded with bonds or other financing obtained by the Municipalities and shall be reimbursed by Area I Special Assessments due from Developer as set forth in Section V, paragraph 7 below and as otherwise set forth in this Agreement.

b. The first \$60 million of aggregate Acquisition Costs for all available property in Area II and Area III shall be funded with the "Developer Advance" as defined herein.

c. The aggregate Acquisition Costs for all available property in Area II and Area III in excess of the Developer Advance, which is reasonably estimated to be approximately \$15 million, shall be funded with bonds or other financing obtained by the Municipalities ("Area II/III Financing") and shall be reimbursed by the Area II/III Special Assessments due from Developer as set forth in Section V, paragraph 8 below and as otherwise set forth in this Agreement.

d. The Developer shall have the right to a full accounting of the Area I Purchase Price, the Area II Acquisition Costs, the Area III Acquisition Costs and the Area II/III Financing, consistent with Subsection 16(a) below.

7. **TID.** The TIF Plan and map of the TID, have been fully adopted by the Community Development Authority of the Village (the "CDA"), the Village Board, and the Joint Review Board, as identified in the TIF Plan, in the form attached hereto as **Exhibit J**. The TIF Plan has a Base Year of 2018. Village agrees not to take title to any of the land in the Project Areas prior to January 1, 2018, except for those residences noted as "Early Acquisitions" being acquired prior to January 1, 2018 on **Exhibit H**.

8. **TID Public Improvements.** The Village shall provide and pay for (with certain funding provided by the County), the infrastructure improvements to serve the needs of the Project Area listed on **Exhibit K** attached hereto (the "TID Public Improvements"). The Village shall cause such TID Public Improvements to be constructed in substantial accordance with the plans attached as **Exhibit L**, which includes the "Master Roadway Plan" and the "Master Utility Plan." The Village agrees that any material changes to the design of such TID Public Improvements shall be subject to review of the Developer, provided that Developer's review shall not delay design or construction of any TID Public Improvements. The Village agrees it shall promptly commence and diligently pursue the construction of such TID Public Improvements, according to the Completion Plan attached hereto as **Exhibit M**, so that all of the needed TID Public Improvements



are reasonably coordinated with Developer's construction and operations, phase by phase. The parties acknowledge that Exhibits L and M may not be finalized prior to execution of this Agreement, and the parties shall cooperate to revise and finalize and attach such exhibits as soon as possible after Agreement execution. The deadlines for Developer's performance of its obligations under Section V, paragraphs 5, 6 and 9 below shall be extended by one day for each day that any TID Public Improvements needed for the Facility are not substantially completed consistent with the Completion Plan, except to the extent that Developer or its agents cause the delay.

9. **Village Development Work.** The Village covenants it will provide, at no cost to the Developer, for all parcels in the Project Areas to be acquired by Developer from the Village, the Village Development Work which is described on Exhibit N, prior to the Closing Date of the acquisition of that parcel from Village.

10. **Village Services and Facilities.** The Village will provide and pay for Village services and facilities required to support and serve the needs of the Project Areas as set forth in the TIF Plan, including construction of police and fire protection capital improvements ("Cost of Village Services and Facilities").

11. **No Further Costs.** Developer shall not be obligated to pay any fees, special assessments, liens, impact fees, public contributions, hook up fees under the Village Ordinance No. 1-2017, or taxes of any type, for the TID Public Improvements, Village Development Work or Cost of Village Services and Facilities, other than the real estate and personal property taxes assessed against the property it owns in the TID, and except as provided in this Agreement. This provision is intended to prevent "double dipping." This provision is not intended in any way to limit Developer's obligations to pay fees, special assessments or taxes of any type (including but not limited to any agricultural use conversion fees) unrelated to the TID Public Improvements, Village Development Work or Cost of Village Services and Facilities, consistent with usual and customary practices.

12. **Developer Incentive Payments from Developer Available Tax Increment.**

a. **Definitions.** The following definitions shall apply throughout this Agreement.

"Tax Increment" means the Tax Increment of the TID, as defined in Section 66.1105(2)(i) of the TIF Law, taking into consideration the election in the TIF Plan for a January 1, 2018 Tax Incremental Base.

"Area I Available Tax Increment" means an amount equal to (i) the annual Tax Increment, as herein defined, which is generated in the immediately preceding calendar year by Area I, and which is actually received by the Village prior to the Collection Date in any year, plus any Tax Increments from Area I from prior calendar years received by the Village prior to the Collection Date in that year, but after the Collection Date of the prior year; (ii) any Makeup Payments received from Developer or similar payment received from any other owner or property in Area I; (iii) the amounts, if any, received by the Village from the sale of any properties in Area I; (iv) any amounts of reimbursement or payment

the Village receives from any other governmental authority, including the DOT, or utility, or other entity, for TID Public Improvements and giving credit as if paid in cash, for any such cost of TID Public Improvements which is assumed by another entity at no charge to the Municipalities; (v) any amount received from the Area I Special Assessment defined below; and (vi) special assessments, deferred assessments, special charges and/or hook up fees levied upon and collected by the Village from parties other than Developer for connection to any of the TID Public Improvements. The Village agrees to follow its standard procedures in levying and collecting deferred special assessments or hook up fees, against properties other than those acquired by Developer that connect to any of the TID Public Improvements, in a manner that apportions costs, as provided in the Village's Ordinance No. 1-2017.

The "Collection Date" shall be *July 1* of each calendar year, in order to provide an annual cutoff of collections sufficient to allow time to calculate the amounts due hereunder before the Payment Date.

The "Payment Date" shall be *October 1* of each calendar year.

The "Payment Year" for purposes of the Flow of Funds Chart attached hereto as **Exhibit O** (the "Flow of Funds Chart"), shall be the time from the Collection Date of each year, to the day prior to the Collection Date of the following year.

The "Developer Available Tax Increment" shall be defined to be the amount calculated by subtracting from the Area I Available Tax Increment on each Collection Date, the amount of all payments shown on the Flow of Funds Chart in higher lines on the chart (each a "Priority"). All amounts shown on the Flow of Funds Chart shall be paid in the order of Priority set forth therein; there shall be no Developer Available Tax Increment until all amounts with a higher Priority on the Flow of Funds Chart are fully paid.

The "Area II/III Available Tax Increment" means (i) the annual Tax Increment, as defined above, which is generated in the immediately preceding calendar year by properties in Area II and Area III owned by Developer, and which is actually received by the Village prior to the Collection Date in any year, plus (ii) any amount received from the Area II/III Special Assessment defined below, reduced by (iii) annual principal and interest payments due on the Area II/III Financing, as shown in the Flow of Funds Chart.

b. **Area I Special Assessment Pay As You Go Payment.** Village agrees to pay to the Developer from the Developer Available Tax Increment, the amount of the Area I Special Assessment, and interest thereon actually paid by Developer (or by a purchaser from Developer), defined in Section V, paragraph 7 below, which is related to the Area I Purchase Price, in the manner shown in the Flow of Funds Chart.

c. **Developer Advance Pay As You Go Payment.** Except to the extent otherwise reimbursed to Developer from sales of property in Area II and Area III by Developer to third parties under Section 15 below, Village agrees to repay to the Developer, from the Area II/III Available Tax Increment and from the Developer Available Tax Increment, in the manner shown on the Flow of Funds Chart, the Developer Advance, defined in Section V, paragraph 4 below,



which was paid by Developer to the Commission or to the Village, to fund Acquisition Costs to acquire properties in Area II and Area III. All payments to Developer under this paragraph shall cease once Developer has been fully repaid the Developer Advance and all amounts actually paid by Developer for the Area II/III Special Assessment, provided that Developer shall be repaid any amounts subsequently paid by Developer on the Area II/III Special Assessment; this provision is intended to prevent "double dipping."

d. **Grant Pay As You Go Payment.** Village agrees to pay Developer, from the Developer Available Tax Increment, the amount of the Grant defined in paragraph 13 below, in the manner and subject to the terms set forth in **Exhibit P**.

e. **Payment Dates.** The payments to be made under subparagraphs 12 (b), (c), and (d) above and in Section V, paragraph 8(d) below (together, the "Developer Incentive Payments") shall be made on the Payment Date each year of the TID to the extent owed, with the amount of that payment being calculated as of the Calculation Date each year. The Payments shall be made to whichever of the parties making up the definition of Developer as is designated by the particular agent of the Developer who is identified in the notice provisions below as the "Developer Notice Officer." Developer shall have the ability to designate, among the Developer Incentive Payments, in which order they are paid, provided that any reordering of Developer Incentive Payments by Developer does not result in "double dipping".

13. **Conditional Grant.** Village hereby agrees to make a conditional grant to Developer, in the amount of ten annual installments of \$10 million each, (the "Grant") payable by Village from the Developer Available Tax Increment, on the Payment Date above, commencing in 2024, and ending in 2033, on the terms and conditions shown on **Exhibit P**. Developer shall annually provide to the Municipalities' Agent, defined below, copies of the reports required under the WEDC Contract. The terms under which payments shall be made under the Grant are detailed on **Exhibit P**. In order to qualify for receipt of each annual Grant, Developer must meet the following conditions: (a) Not be declared in default under the WEDC Contract, which default has not been cured, and not be in default under this Agreement for failure to make any payment under the Area I Special Assessment, the Area II/III Special Assessment, the Makeup Payments, and all other payments due under this Agreement, past any applicable notice and cure period; and (b) Must have provided all reports required by this paragraph, referencing the WEDC Contract, evidencing full compliance with all employment requirements. If conditions for release of a Grant in a given year have been met, then that Grant will be deemed "earned" and is not refundable and shall be paid to Developer on the Payment Date. If the conditions for the release of a Grant in a given year are not met, then the Village may withhold the Grant in whole or in part until any failures are rectified. If rectified within the year that the annual Grant initially is available, the Grant shall be released for that year, provided however that no more than \$10 million per year may be paid under the Grant; any excess will be pushed out to the following Payment Date for payment, until the TID terminates. For instance, if Developer does not meet the above requirements on a Payment Date in 2024, but rectifies the default during 2024, then the 2024 Grant payment will be paid in 2024, as long as Developer does not receive more than \$10 million under the Grant in 2024; if Developer does not meet or rectify the requirements for the Grant in 2024, Developer shall not become eligible for the 2024 annual Grant until 2034. In no event shall Developer be entitled to receive more than one annual Grant in any one calendar year, and Developer's right to receive the Grant shall terminate upon termination of the TID. However, in the event termination of the TID

occurs prior to the payment of all ten Grants, Village shall retain sufficient funds in a special account to pay future Grants, but, in no event, beyond December 31, 2047. Developer's receipt of a Grant after TID termination, until December 31, 2047, is conditioned upon compliance with the terms and conditions shown on Exhibit P.

14. **Application of Funds.** The Village agrees that subject to the terms of this Agreement, it shall deposit the following amounts it receives, into a segregated account as required by the TIF Law (the "Area I TIF Account"): payments of taxes and payments in lieu of taxes from Area I, payments by utilities for rights of way and land in Area I, special assessments for TID Public Improvements, the Area I Special Assessment, reimbursements and payments from other governmental entities for work included in the definition of TID Public Improvements, and Makeup Payments from the Developer. Similarly, the Village agrees that, subject to the terms of this Agreement it shall deposit the following amounts it receives, into a segregated account as required by the TIF Law (the "Area II/III TIF Account") payments of taxes and payments in lieu of taxes from the properties in Areas II and III acquired by Developer from Village, and the Area II/III Special Assessment. Payments shall be made from the relevant TIF Account consistent with the Flow of Funds Chart. The Municipalities agree to make all of the payments on any financing with a higher priority on the Flow of Funds Chart, than the Developer Available Tax Increment, to the extent of the Developer Available Tax Increment, so that there is no acceleration of principal of those debts.

15. **Developer Acquisition Rights.** The Municipalities hereby grant to Developer the exclusive right to acquire each of the parcels in the Area II and Area III property, for a "Permitted Project Use," for a period of 10 years after the date the Municipalities have acquired title and possession of that parcel (each, an "Option Termination Date") (all Area II and Area III property being held by Village for the benefit and on behalf of the Commission) and provided that such property is not necessary to accommodate rights of way or utilities as shown on **Exhibit H** (together, the "Developer Acquisition Rights"), under the following terms and conditions and except as otherwise provided in this Agreement. The consideration for these Developer Acquisition Rights shall be the obligation to pay the Developer Advance and the Area II/III Special Assessment, as contained herein, which the parties acknowledge is sufficient and independent consideration for the Developer Acquisition Rights. The Municipalities shall cause the Commission to create or confirm the Developer Acquisition Rights for Area II and Area III in a written instrument acceptable to the Municipalities and the Developer. Developer shall have the exclusive right to acquire all of the Area II and Area III property acquired by the Commission or Village, until the Option Termination Date for that parcel, for a Permitted Project Use. A "Permitted Project Use" shall include all uses, whether by Developer or a supplier of products and services to Developer or to the Facility or the Project, which use must be allowable under the applicable zoning, as a permitted or conditional use.

a. **Exercise.** Developer shall designate in writing the parcel it wishes to acquire, and the date it wishes to close on the acquisition (each a "Closing Date"), which Closing Date shall be no earlier than 30 days and no later than 60 days after the delivery of such notice.

b. **Due Diligence.** Within 5 business days after receipt of that written notice, the Village will deliver to Developer all of the documents applicable to that parcel related to the Village Development Work, and related to the current status of TID Public Improvements needed

to supply access or sewer and water services, or other utilities to that parcel, and documents evidencing to what extent that the parcel will be in Closing Condition as of the selected Closing Date, as that is defined in **Exhibit R**, along with drafts of the closing documents for that Closing.

c. **Closings.** The Village and Developer shall close on the acquisition of the parcel on the Closing Date, in Closing Condition, or on such other date as is agreed between the Village and Developer. Developer and its agents shall also have a right of access to all parcels included in the Developer Acquisition Rights, for purposes of all of Developer's due diligence requirements, from the date of this Agreement until the Developer Acquisition Right terminates as to that parcel, to the extent of the Municipalities' access rights over that parcel. No purchase price other than the Developer Advance and the Area II/III Special Assessment shall be due from Developer to acquire any parcel in Area II or Area III. If a value must be stated for purposes of the dollar amount of the title policy, or for a transfer tax return, the parties shall sign an agreement at closing stating that value.

d. **Payment of Area II and Area III Acquisition Costs.** The Village, at the direction of the Commission, shall convey property in Area II and Area III to the Developer at no additional cost to Developer (other than the Developer Advance) until the Acquisition Costs of all Area II and Area III property conveyed to Developer aggregate to the \$60 million Developer Advance. After the Developer Advance has been depleted, all Area II or Area III property conveyed to the Developer shall be subject to the Area II/III Special Assessment as described in Section V, paragraph 8.

e. **Reimbursement of Area II and Area III Acquisition Costs.** The parties agree that Developer is entitled to reimbursement of the Developer Advance and any amounts paid by the Developer under the Area II/III Special Assessment consistent with this Subsection and Section IV, paragraph 12(c) above. All amounts received by Developer from sales of Area II and Area III properties to third parties, net of usual and customary closing costs as identified on the Flow of Funds Chart, (other than the up to 30 acres to be sold to American Transmission Company and/or approximately 5 acres to be sold to Racine Water Utility) shall be retained by Developer. Purchase prices from these utilities shall be applied to Area II and III Acquisition Costs. In addition, except to the extent otherwise reimbursed to Developer hereunder, the Village agrees to pay to Developer, Area II/III Available Tax Increment received by the Village from property acquired by Developer in Area II and Area III or Developer Available Tax Increment, in the manner shown on the Flow of Funds Chart, to reimburse Developer the amount of the Developer Advance and the Area II/III Special Assessment actually paid by Developer. All payments to Developer under this paragraph shall cease once Developer has been fully repaid the Developer Advance and all amounts actually paid by Developer for the Area II/III Special Assessment, provided that Developer shall be repaid any Area II/III Special Assessment subsequently paid by Developer; this provision is intended to prevent "double dipping."

f. **Termination.** Except as expressly set forth herein to the contrary, the Developer Acquisition Rights on each Area II and Area III parcel shall be exclusive until the Option Termination Date for that parcel, and shall terminate if not exercised (and closed upon) by the Option Termination Date for that parcel. The Developer acknowledges that the Village has provided written notice that up to 30 acres in Area III shall be sold to American Transmission Company and approximately 5 acres shall be sold to the Racine Water Utility to facilitate the

Project, and Developer shall not have Developer Acquisition Rights to those parcels. If, during the period that the Developer Acquisition Rights exist, Developer and the Commission mutually determine that Developer does not need a particular parcel within Area II or Area III, Developer and the Commission shall execute a release of the Developer Acquisition Rights from that particular parcel and the Developer Acquisition Rights shall terminate as to that parcel. Developer shall cause construction of a building and related improvements on any parcel acquired by exercise of Developer Acquisition Rights to commence within 24 months from acquisition by Developer or any assignee of Developer. Notwithstanding anything herein to the contrary, any unexercised Developer's Acquisition Rights under this Section shall terminate if Developer fails to create the Minimum Assessed Value consistent with Section V, paragraph 6 below and fails to cure such default as provided therein. After the date the Developer Acquisition Rights are terminated as to any parcel, the Commission shall be free to sell that parcel to any other third party, at market value, and all net sales proceeds on the sale of the Area II or III properties shall be paid first to the Area II/III Special Assessment and then retained by the Municipalities. To the extent that the Developer Advance and the Area II/III Special Assessment have not been fully repaid when Developer Acquisition Rights expire, the Municipalities have discretion upon any sale of Area II or Area III property to a third party to apply sales proceeds to the Developer Advance and/or the Area II/Area III Special Assessment or to retain the sales proceeds, but this will not extinguish any obligation to repay the remainder of the Developer Advance or Area II/III Special Assessment which remains outstanding at that time. Developer may record a Memorandum of these Developer Acquisition Rights, in the Racine County Register of Deed's Office, to provide public notice of these rights, which are similar to an Option.

#### 16. **General Provisions.**

a. **Accounting.** The Municipalities shall furnish and shall cause the Commission to furnish to Developer a full accounting of all costs incurred in connection with the acquisition of the Project Areas, the costs of the TID Public Improvements, the Village Development Work, the cost of the Village Services and Facilities, costs relating to the use of the Developer Advance, as defined below, distributions from the Commission and all other costs and expenses related hereto which impact either the Flow of Funds Chart Priority or the values or sale prices of the parcels subject to the Developer Acquisition Rights, and Developer shall have the right to require adjustment of those calculations for any amounts which were disbursed other than as required herein.

b. **Cooperation.** The Village agrees to consult with Developer and keep Developer fully informed as to the status of all negotiations with current owners of the parcels in the Project Areas, the current status of the completion of acquisition of those parcels and work with the Developer on the actual timing of the closings, the final design and construction planning and status of completion and anticipated completion of all TID Public Improvements and Village Development Work as anticipated on Exhibits L, M and N, discussions on changes to any of the TID Public Improvements, and any proposed changes in the cost of any item, the repayment of which has a higher Priority on the Flow of Funds Chart. Village shall provide to Developer copies of all Options, purchase agreements, and due diligence documents on the property subject to Developer Acquisition Rights under this Agreement.



c. **No Priority Jumping.** Notwithstanding the fact that the payments on the Flow of Funds Chart are expressed as categories, that chart is intended by the parties to reflect the Priorities related to the expenditures stated therein and included in expenditure budgets established at this time. The Municipalities shall not have the power to increase the indebtedness in any of the categories that have Priority over the Developer Incentives, so as to materially reduce, delay, or make less certain the recovery of, the Developer Incentives, without Developer's prior written consent which consent shall not be unreasonably withheld or delayed. Developer consents to any refinancing of any indebtedness described herein so long as the refinancing does not materially reduce, delay, or make less certain the recovery of, the Developer Incentives.

d. **Authority.** The agreements contained in the exhibits have been properly authorized and executed.

e. **No Increment Transfer.** The Village shall not have the right to commit any Available Tax Increment from the parcels Developer has purchased, or from parcels still subject to the Developer Acquisition Rights, to parties other than Developer, without Developer's written consent, until the earlier of the time the Developer's Incentives have been paid in full, or Developer's Acquisition Rights have all expired.

17. **Support to Federal DOT.** The Municipalities have issued letters of support to the Federal DOT which are referenced on the attached **Exhibit Q**; they shall continue to support this request.

18. **Land Acquisition Documents.** The Municipalities shall provide to the Developer, promptly after the Effective Date, all of the documents the Municipalities or their agents have received or secured, regarding the existing Options, offers or other rights to acquire land in the Project Areas, and the due diligence documents they have received regarding that land.

## SECTION V – DEVELOPER RIGHTS AND OBLIGATIONS

1. **Acquire Area I Property Subject to Area I Special Assessment.** Developer shall acquire all available property in Area I from the Village. If the Village obtains occupancy of any Area I parcel simultaneously with acquisition of such parcel, Developer shall close on the parcel within thirty days following acquisition by the Village. If any seller or tenant remains in occupancy of an Area I parcel when the Village acquires the parcel, Developer shall close on the parcel within ten days following the date when the Village obtains occupancy of the parcel. All such Area I property shall be delivered to Developer in Closing Condition as defined in **Exhibit R**, at no additional cost to Developer, in consideration of the Area I Special Assessment being paid by Developer herein.

2. **Acquire Property in Area II and Area III With Developer Advance.** Developer shall have the right to acquire the property in Area II and Area III which has been acquired by the Village, or any portion of it, at no additional cost to Developer until the aggregate Acquisition Costs of the properties acquired by the Developer in Area II and Area III equals the Developer Advance. In consideration of the agreements and obligations made herein by Developer, including the payment of the Developer Advance, these properties shall be conveyed to Developer in Closing Condition as defined in **Exhibit R**, at no additional cost to Developer, until the amount of the

Acquisition Costs for the Area II and Area III properties conveyed to the Developer aggregates to the \$60 million Developer Advance.

3. **Acquire Property in Area II and Area III Subject to Special Assessment.** After the Developer has acquired properties in Area II and/or Area III with aggregate Acquisition Costs equal to the entire Developer Advance and if Developer has not otherwise acquired at least 100 acres of Area II and Area III property or reached agreement with the Municipalities for an alternative means of providing or securing the Area II/III Financing, Developer shall, within 30 days written notice from the Municipalities, acquire at least a total of 100 acres of property in Area II or III against which the Area II/III Special Assessment may be levied or provide another source of funds for Area II and Area III property Acquisition Costs mutually acceptable to the Municipalities and the Developer. Developer shall have the right to acquire any remaining available property in Area II and Area III, all at no additional cost to Developer. In consideration of the Area II/III Special Assessment being paid by Developer herein, these properties shall be conveyed to Developer in Closing Condition.

4. **Developer Advance.** In consideration of the granting of the Developer Acquisition Rights on the Area II and Area III property, not later than December 15, 2017, Developer shall deposit \$60 million (the "Developer Advance") in an account owned by the Developer (the "Developer Advance Account"), but subject to the terms of this Agreement. The Developer Advance Account shall be deposited with an escrow agent or financial institution acceptable to both the Municipalities and the Developer and shall be pledged to the Municipalities pursuant to a pledge and escrow/control agreement in favor of the Municipalities and in form mutually acceptable to the Municipalities and the Developer. The Municipalities shall have the sole and exclusive right to withdraw funds from Developer Advance Account to fund Acquisition Costs to acquire property in Area II and Area III on which the Developer has Developer Acquisition Rights. The Municipalities shall apply the Developer Advance, first, to acquire Option Parcels in Area II and Area III, second, to acquire To Be Acquired Parcels in Area II and Area III, and, third, to acquire Desired Properties in Area II and III. The parties acknowledge that the Acquisition Costs of Area II and Area III properties will exceed \$60 million and that the entire Developer Advance will be expended. The Developer Advance shall also serve as security to the Municipalities for purposes of default by the Developer of its obligations under Section V, paragraphs 6, 7 and 8 herein, and Developer shall accordingly grant first mortgage liens to the Municipalities (the "Developer Advance Mortgages") on all property acquired by the Village with the Developer Advance and subsequently conveyed to Developer (or Developer's nominee). The Developer Advance Mortgages shall be released as provided herein. To the extent of a default by Developer of Section V, paragraph 6, 7 or 8 herein and the failure of cure by the Developer or pursuant to the Developer Affiliate Guaranty, the Municipalities may apply the Developer Advance (and/or proceeds derived from the foreclosure of the Developer Advance Mortgages) to (i) the payment of the Area I Special Assessment and Area II/III Special Assessment; and (ii) the payment of any Makeup Payments. This requirement of the Developer Advance and the Developer Advance Mortgages to serve as security to the Municipalities for purposes of default by the Developer of its obligations under Section V, paragraphs 6, 7 and 8 herein shall terminate at such time as there is sufficient Area I Available Tax Increment to service the principal amount of \$195,000,000 of the 2018 Bonds (as defined in the Developer Affiliate Guaranty) and the pledge of the Developer Advance (and any Developer Advance Mortgages ) shall be released at such time. At Developer's and Guarantor's option, upon at least 30 days' advance written notice to the Municipalities,

Developer and Guarantor may elect to increase the amount of the Developer Affiliate Guaranty, in which case the amount the Developer Advance pledged and/or the amount secured by the Developer Affiliate Mortgages shall be reduced commensurate with the increase in the Developer Affiliate Guaranty.

5. **Construction of Facility.** Developer shall establish and operate Developer's Generation 10.5 TFT-LCD Fabrication Facility (the "Facility") in Area I. Within Area I, Developer shall invest approximately \$10 billion to construct and equip the Facility, including approximately \$5.570 billion in direct construction expenditures ("CapEx Expenditures"), and Developer shall complete construction of the Facility within an approximately 7 year period, commencing no later than January 1, 2019. The Developer shall furnish to the Municipalities' Agent the same reports required under the WEDC Contract.

a. CapEx Expenditure includes only an investment in (i) machinery and equipment to be installed and used in Area I (including "finance leases" and "operating leases" (to the extent and in the amount that such operating leases give rise to a "right-of-use asset" on the balance sheet of a Recipient upon lease commencement, but not including "short term" operating leases of such machinery and equipment, and not including consigned machinery and equipment), and (ii) in land and buildings located in Area I that are needed to achieve the specific purpose of completing the Project. Notwithstanding any other provision of this Agreement, investments in residential or commercial, non-industrial property or construction of such property will not be considered to be eligible CapEx Expenditures for purposes of satisfying the test in this paragraph 7. The terms "finance lease", "operating lease", "right-of-use asset" have the meanings assigned to them under GAAP ASC 842.

b. The Developer shall give to the Municipalities' Agent any report to or conclusion of WEDC regarding WEDC's review of any construction contracts and subcontracts between Developer and affiliates, and leases to confirm that they reflect fair market value in determining Developer's performance under this section.

6. **Minimum Assessed Value.** As of January 1, 2023, the Developer agrees to cause the minimum "Value Increment" (as defined in Section 66.1105(2)(m) of the TIF Law) for Area I to be not less than \$1.4 billion (the "Minimum Guaranteed Value"), and to maintain that Minimum Guaranteed Value until December 31, 2047 (the "Value Guaranty Period"). Developer shall, in any tax year during the Value Guaranty Period that the Value Increment for Area I is less than the Minimum Guaranteed Value, and following thirty (30) days written notice by the Village to Developer, pay to the Village for deposit into the Area I TID Account, on or before the tax bills for that tax year must be paid, real and personal property taxes assessed for that year, plus the Makeup Payment defined below. The "Makeup Payment" shall be calculated to be the difference between:

a. The real property and personal property taxes that would have been payable had the property in Area I had a Value Increment equal to the Minimum Guaranteed Value, using the tax rates for the year for which such calculation is to be performed; and

b. The real and personal property taxes assessed to the actual Value Increment of the property in Area I payable for such tax year.

7. **Area I Special Assessment.**

a. **Levy.** In consideration of the Village conveying to Developer the Area I property acquired by Village, Developer agrees to the levying of a special assessment by the Village, encumbering the Area I property acquired by Developer, in the amount of the Area I Purchase Price plus interest on the debt funding of such Area I Purchase Price, and inclusive of all of the costs of issuance and related, legal and professional fees (“Area I Special Assessment”), and further Developer agrees to pay such Area I Special Assessment to the Village, in 20 equal payments, with the first such payment included in the 2019 real estate tax bill for the Area I property, coming due in 2020, and with each such subsequent payment included in the real estate tax bills for the Area I property, for each year thereafter, with a final assessment included in the 2039 tax bill, payable in 2040, but subject to the provisions of Section IV, paragraph 12(b) above, for reimbursement of this amount from Developer Available Tax Increment.

b. **Waiver.** In consideration of the benefit derived from the Village’s acquisition of the Area I property, Developer hereby consents to the imposition of such Area I Special Assessment so levied, and hereby waives pursuant to Section 66.0703(7)(b), Wis. Stats., and any other applicable provision, any and all requirements of the Wisconsin Statutes which must be met prior to the imposition of this Area I Special Assessment including, but not limited to, the notice and hearing requirements of Section 66.0703 and the notice requirements of Section 66.0715(3).

c. **Application of Special Assessment.** The parties agree that the Area I Special Assessment is levied to secure the debt of the Municipalities, for the Area I Purchase Price, and that the annual payments received by the Village from the Area I Special Assessment shall be applied to such debt for the Area I Purchase Price, as shown in the Flow of Funds Chart, but agree that the Village on its behalf shall annually defer in whole or in part the installments of the Area I Special Assessment levied herein to the extent the Developer Available Tax Increment received by the Village is sufficient to pay this amount consistent with the Flow of Funds Chart.

d. **Reimbursement from Developer Available Tax Increment.** As provided in Section IV, paragraph 12(b) above, the amount of any Area I Special Assessment payments made by Developer under this Section 7, shall be repaid to Developer, to the extent of Developer Available Tax Increment, in the manner shown on the Flow of Funds Chart, until any paid Area I Special Assessment amount shall have been reimbursed to Developer or the TID expires (whichever occurs first).

8. **Area II/III Special Assessment.**

a. **Levy.** In consideration of the Village conveying to Developer the Area II and Area III property acquired by Village, with Acquisition Costs in excess of the Developer Advance (the “Assessed Area II and III Property”), Developer agrees to the levying of a special assessment by the Village, encumbering the Assessed Area II and III Property acquired by Developer, in the amount of the Acquisition Costs of the Assessed Area II and III Property plus interest on such Acquisition Costs, and principal and interest on the Area II/III Financing, if any, and inclusive of all of the costs of issuance and related, legal and professional fees (“Area II/III Special Assessment”), and further Developer agrees to pay such Area II/III Special Assessment to



the Village, in equal payments, with the first such payment included in the real estate tax bill for the Assessed Area II and III Property, coming due the year after the Village has acquired any Assessed Area II and II Property, and with each such subsequent payment included in the real estate tax bills for the Assessed Area II and III property acquired, for each year thereafter, with a final assessment coming due in the year of the last payment due under the Area I Special Assessment, but subject to the reimbursement of amounts actually paid by Developer, or by a purchaser from Developer, from Area II/III Available Tax Increment received by the Village from Area II and Area III properties owned by Developer under Section V, paragraph 8(d) below.

b. **Waiver.** In consideration of the benefit derived from the Commission's acquisition of the Area II and Area III property, Developer hereby consents to the imposition of such Area II/III Special Assessment so levied as provided above, and hereby waives pursuant to Section 66.0703(7)(b), Wis. Stats., and any other applicable provision, any and all requirements of the Wisconsin Statutes which must be met prior to the imposition of this Area II/III Special Assessment including, but not limited to, the notice and hearing requirements of Section 66.0703 and the notice requirements of Section 66.0715(3).

c. **Application of Special Assessment.** The parties agree that the Area II/III Special Assessment is levied to secure the Areas II/III Financing, and that the annual payments received by the Village from the Area II/III Special Assessment shall be applied to such Area II/III Financing, as shown in the Flow of Funds Chart, but agree that the Village on its behalf shall annually defer in whole or in part the installments of the Area II/III Special Assessment levied herein to the extent the Area II/III Available Tax Increment received by the Village from Area II and Area III properties owned by Developer is sufficient to pay this amount consistent with the Flow of Funds Chart.

d. **Reimbursement from Area II/III Available Tax Increment from Area II and Area III Properties Owned by Developer.** The amount of any Area II/III Special Assessment payments made by Developer under this Section 8, is intended to be repaid to Developer, to the extent Area II/III Available Tax Increment is received by the Village from Area II and Area III properties acquired by Developer, in the manner shown on the Flow of Funds Chart, until any Area II/III Special Assessment amount paid by Developer shall have been reimbursed to Developer or the TID expires (whichever occurs first).

9. **Job Creation and Maintenance.** Developer agrees to create and maintain approximately 13,000 new full-time jobs, the majority of which will be in the County, with a minimum average salary of \$53,875 plus benefits, in accordance with the terms of the WEDC Contract. Developer shall provide to the Municipalities' Agent, copies of the same reports required to be provided to WEDC under the WEDC Contract.

10. **Good Faith Hiring and Contracting Efforts.** The parties recognize that a primary motivation for the Municipalities to enter into this Agreement is to maximize opportunities for local residents and businesses to participate in, and benefit from, the transformational and sustainable high-tech manufacturing and technology ecosystem being created. Developer agrees to exercise good faith in striving to hire, retain and contract, whenever reasonably possible, with qualified individuals and businesses residing and/or based in the County as well as veterans and minority-owned businesses. Developer agrees to undertake reasonable efforts to make

opportunities known and available to local residents and businesses, such as advertising in publications and internet resources frequented by such residents and businesses.

11. **Developer Affiliate Guaranty.** Simultaneously with executing and delivering this Agreement, Developer shall cause SIO International Holdings Limited, an exempted company with limited liability duly incorporated and validly existing under the laws of the Cayman Islands (the "Guarantor"), to execute and deliver the guaranty attached hereto as **Exhibit S** (the "Developer Affiliate Guaranty").

## SECTION VI – REPRESENTATIONS AND WARRANTIES

Developer represents and warrants to the Municipalities and the Municipalities represent and warrant to Developer respectively as follows, as of the Effective Date:

1. **Good Standing.** Each of the entities named as part of Developer is an entity duly formed and validly existing under the laws of its state or country of creation and has the power and all necessary licenses, permits and franchises to own its assets and properties in the Project Areas and to carry on its business in the Project Areas. Each of the entities in Developer is duly licensed or qualified to do business in the State of Wisconsin.

2. **Due Authorization.** The execution, delivery and performance of this Agreement and all other agreements requested to be executed and delivered by any or all of the Developer hereunder have been duly authorized by all necessary entity action and constitute valid and binding obligations of the Developer, in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium, general principles of equity, and other similar laws of general application affecting the enforceability of creditors' rights generally. The Village represents and warrants to Developer that it has the power, authority and legal right to enter into all of the transactions and to perform all of the covenants and obligations required to be entered into or performed by the Village under this Agreement. The County represents and warrants to Developer that it has the power, authority and legal right to enter into all of the transactions and to perform all of the covenants and obligations required to be entered into or performed by the County under this Agreement.

3. **No Conflict.** The execution, delivery, and performance of Developer's obligations pursuant to this Agreement will not violate or conflict with Developer's organizational documents or any indenture, instrument or material agreement by which Developer is bound. The execution, delivery, and performance of Village's obligations pursuant to this Agreement will not violate or conflict with the Village's incorporation documents or any indenture, instrument or material agreement, law or regulation by which Village is bound. The execution, delivery, and performance of County's obligations pursuant to this Agreement will not violate or conflict with the County's incorporation documents or any indenture, instrument or material agreement, law or regulation by which County is bound.

4. **No Litigation.** There is no litigation or proceeding pending, though the parties acknowledge litigation has been threatened, against the Village relative to its activities in acquiring and relocating existing properties or tenants in the Project Areas. The Village shall bear

responsibility for continuing the resolution of any disputes attendant with the acquisition of properties or relocation of tenants.

5. **No Default.** No default, or event which with the giving of notice or lapse of time or both would be a default, exists under this Agreement or the WEDC Contract.

6. **Certification of Costs.** The Village represents that the anticipated Acquisition Costs of the Project Areas, the TID Public Improvements, the Village Development Work, and the Village Services and Facilities, shown in the Flow of Funds chart, and in **Exhibits K and N**, are materially accurate, based on the best information known to the Village at this time, and that those amounts do not include any costs which are being borne by any other government agency or utility. The Village knows of no circumstances presently existing or reasonably likely to occur which would or could result in a material adverse variation or deviation from the costs shown for these items. The Village will provide a letter to the Developer advising to the reasonably expected Acquisition Costs of each of the parcels in Area I, Area II and Area III, and the reasonably expected amounts of all payments in the Flow of Funds Chart with a higher Priority than the Developer Available Tax Increment for Area I, and, for the Area II/ III Available Tax Increment, all payments with higher priority than the payments to Developer provided herein.

## SECTION VII – COVENANTS

The following shall be considered continuing covenants hereunder.

1. **Compliance with Laws and Codes.** Developer covenants that the Facility, when completed, will conform and comply in all material respects with all applicable laws and building codes and ordinances of the Village and the State. The Village covenants that those portions of the Village Development Work and the TID Public Improvements constructed by the Village, or its employees and agents, when completed, will conform and comply in all material respects with all applicable laws and building codes and ordinances of the Village and the State. Except to the extent it is the obligation of the Village hereunder, Developer will comply with, and will cause the Facility to be in compliance, in all material respects, with all applicable federal, state, local and other laws, rules, regulations and ordinances, including without limitation, all environmental laws, rules, regulations and ordinances.

2. **No Assignment.** During the term of the TID as anticipated in the TIF Plan, Developer will not transfer, assign, or convey the rights or obligations of Developer under this Agreement, without the prior written consent of the Municipalities, but this term shall not prevent the transfer of any rights among the parties who are defined as the Developer, and will not prevent the collateral assignment of Developer's rights under this Agreement and the granting of mortgages, security interests and other rights to Developer's Lender as collateral, or such other transfers, assignments, conveyances and encumbrances the Developer reasonably deems necessary in connection with the development of the Project, including specifically for tax planning, or resales or leases of parcels in the Project Areas which Developer has acquired from Village consistent with the terms of this Agreement, provided that Developer shall remain liable to the Municipalities for Developer's obligations under this Agreement notwithstanding any transfer by Developer, of any individual parcel in the Project Areas, by sale, lease or other means, and Developer shall secure from such transferee any assurances Developer needs to secure Developer's

obligations to Village, which shall not be released thereby, notwithstanding any language contained herein that this Agreement runs with the land or applies to successors and assigns. Municipalities' confirm that any Area I Special Assessment or Area II/III Special Assessment against any parcel acquired by Developer under this Agreement shall not be accelerated or come due, any earlier than its scheduled payment date, as a result of such sale or lease, subdivision or other similar action, as long as Developer remains liable for such obligation, but such lien shall also not be released by such lease, transfer or subdivision.

3. **Tax Exempt Owners or Users.** Developer shall not transfer the ownership or use of any portion of the Project Areas, to any entity which would render that parcel exempt from property taxation, without the prior written consent of the Municipalities. The Municipalities shall consent to any transfer to a government entity or utility necessary to complete the TID Public Improvements or otherwise to facilitate the Project.

4. **Compliance with Plans.** Village agrees to cause the TID Public Improvements to be constructed in accordance with the Master Roadway Plan, the Master Utility Plan and the TID Public Improvement Completion Plan and will promptly correct any defects in construction or deviations from the Master Roadway Plan or the Master Utility Plan.

5. **No Material Changes.** No portion of this Agreement, nor any document attached as an exhibit, may be amended, except in a written amendment executed by all parties.

6. **Notification.** The parties all shall notify each of the other parties, and provide copies, promptly, upon receipt, of any notice, pleading, citation, indictment, complaint, order or decree from any federal, state or local government agency or regulatory body, or from any court, asserting or alleging a circumstance or condition on the Project Areas that requires or may require a financial contribution or an investigation, clean-up, removal, remedial action or other response by or on the part of a party under any environmental laws, rules, regulations or ordinances or which seeks damages or civil, criminal or punitive penalties from or against a party for an alleged violation of any environmental laws, rules, regulations or ordinances on the Project Area, or attempts to enjoin or affect the completion of the responsibilities of the parties hereunder.

7. **Insurance.** Developer shall maintain and shall require that any purchasers or transferees from Developer, of any fee interest in any portion of the Project Areas maintain, the following insurance policies issued by insurers with a rating of at least "A-" and in the financial size category of at least "VII" as established by A.M. Best Company and licensed to do business in the State of Wisconsin, with such policies (the "Insurance Policies") covering loss by perils, hazards, liabilities and other risks and casualties and in such amounts as may be reasonably required by the Municipalities:

a. Following completion of construction of any improvements on a parcel which has been acquired by Developer ("Developer Parcels"), "all risks" property insurance (including without limitation, insurance against fire, flood, water damage, collapse, terrorism, windstorm, hail, boiler and machinery, if applicable, sewer back-up, business interruption, and such other risks of loss as the Municipalities reasonably may require to the extent coverages are available at commercially reasonable rates), against loss of or damage to the Developer Parcels, in amounts equal to the greater of (i) 100% replacement cost of all buildings, improvements, fixtures,

equipment and other real and personal property on the Developer Parcels or (ii) the total amount outstanding from time to time of the debt financing or other loan with a higher Priority, as applicable, with an extended replacement cost endorsement;

b. During the construction of the Facility, builder's risk insurance in form and amounts reasonably satisfactory to the Municipalities;

c. Commercial general liability insurance covered under a comprehensive general liability policy including contractual liability in an amount not less than \$100 million combined single limit for bodily injury, including personal injury, and property damage;

d. Worker's compensation insurance in amounts meeting all statutory state and local requirements; and

e. Such other insurance as may be reasonably requested by the Municipalities to insure the collateral obligations of the Developer herein in that Facility. Each Insurance Policy shall require the insurer to endeavor to provide at least thirty (30) days prior written notice to the Municipalities of any cancellation of such policy. The Village, the County and the Commission shall be named as additional insureds/loss payees on all policies of insurance except worker's compensation insurance, for their respective properties.

In the event of a material casualty, the Developer shall, as soon as reasonably possible but in no event later than 48 months following the casualty, rebuild the Facility consistent with the requirements of Section V, paragraphs 7 and 8 above, subject to the force majeure provisions herein. Developer shall not be in default hereunder if it makes its Makeup Payment set forth above.

8. **Compliance with Planning and Zoning.** Nothing contained herein shall relieve Developer or Village from obtaining all approvals, permits and licenses as may be required by any governmental or non-governmental entity in connection with the Project Areas. Village shall cooperate to process any applications of the Developer for approvals, permits and licenses.

## SECTION VIII – DEFAULT

### 1. **Developer Default.**

a. **Default.** The occurrence of any one of the following events shall constitute a default by Developer hereunder (a "Developer Default"): (i) any representation or warranty of Developer herein or in any agreement or certificate delivered pursuant hereto shall prove to have been false in any material respect when made; (ii) Developer fails to pay any amount when due under this Agreement and further fails to pay such amount on or before five days following written notice of such failure; (iii) Developer breaches or fails to perform timely or observe timely any of its covenants or obligations under this Agreement (other than relating to the payment of money) which is not cured within thirty (30) days after written notice thereof to Developer (provided, however, if the default cannot reasonably be cured within such 30 day period, Developer shall not be deemed in default if Developer commences to cure the default within such 30 day period and thereafter diligently pursues the completion of such cure and completes the same within a reasonable period thereafter but not later than 120 days following the notice or a longer time reasonably agreed to by the Municipalities); or (iv) any Developer [a] makes a general assignment



for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its assets; [b] becomes the subject of an “order for relief” within the meaning of the United States Bankruptcy Code, or files a petition in bankruptcy, for reorganization or to effect a plan or other arrangement with creditors; [c] has a petition or application filed against it in bankruptcy or any similar proceeding, or has such a proceeding commenced against it and such petition, application or proceeding shall remain undismissed for a period of ninety (90) days or Developer shall file an answer to such a petition or application, admitting the material allegations thereof; [d] applies to a court for the appointment of a receiver or custodian for any of its assets or properties, with or without consent, and such receiver shall not be discharged within ninety days after his/her appointment; [e] adopts a plan of complete liquidation of its assets; or [f] shall cease to exist.

b. **Remedies.** In the event of a Developer Default, the Municipalities shall have all rights and remedies available under law or equity with respect to said default.

c. **Rights of Setoff and to Suspend Developer Incentive Payments.** Notwithstanding anything herein to the contrary, in the event that Developer fails to pay any Makeup Payment, any Area I Special Assessment or any Area II/III Special Assessment within 30 days following written notice described in this subparagraph, in addition to their remedies hereunder, the Municipalities may setoff the amount of any payment due against the Developer Advance (if available) and/or suspend payments to Developer of Developer Available Tax Increment and Area II/III Available Tax Increment. Upon the complete cure of any such Developer Default by Developer and provided that no debt funded or secured by Developer's obligations was accelerated, then, if and to the extent the Municipalities suspended any payments of Developer Available Tax Increment and/or Area II/III Available Tax Increment, the Municipalities shall promptly distribute to Developer any payments so suspended and promptly resume payments of amounts due with respect to the payments of Developer Available Tax Increment or Area II/III Available Tax Increment due under this Agreement. If any debt funded or secured by Developer's obligations was accelerated due to a Developer Default, payments of Developer Available Tax Increment and Area II/III Available Tax Increment and/or Grant to Developer shall remain suspended until the accelerated debt is fully repaid, or the acceleration is reversed or resolved. Notwithstanding anything else in this Agreement to the contrary, the Municipalities shall not have the right to setoff against the Developer Advance or suspend any payment and/or allocation of Developer Available Tax Increment or Area II/III Available Tax Increment to Developer, as long as Developer is making the scheduled payments under the Area I Special Assessment, the Area II/III Special Assessment, the Makeup Payments and all other payments due under this Agreement. Any suspension of any payment and/or allocation of Developer Available Tax Increment or Area II/III Available Tax Increment to Developer or setoff against the Developer Advance shall only be made by the Municipalities following an additional thirty (30) days written notice to Developer of intent to exercise this right.

d. **Reimbursement.** Any amounts expended by the Municipalities in enforcing this Agreement and the obligations of Developer hereunder, including reasonable attorney's fees, and any amounts expended by the Municipalities in curing a Developer Default, together with interest at the legal rate, shall be paid by Developer to the Village upon demand and shall constitute a lien against the Facility and all other property owned by Developer in the TID Area until such amounts are reimbursed or paid to the Municipalities, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.

e. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

f. **Failure to Enforce Not a Waiver.** Failure of the Municipalities to enforce any provision contained herein shall not be deemed a waiver of the Municipalities' rights to enforce such provision or any other provision in the event of a subsequent default.

g. **Notice to Developer's Lender.** The Municipalities agree to send simultaneously to Developer's Lender copies of all notices of default sent to any of the Developer and to afford Developer's Lender reasonable rights to cure such defaults.

## 2. **Village's Default.**

a. **Default.** The occurrence of any one of the following events shall constitute a default by Village hereunder (a "Village Default"): (i) any representation or warranty of the Village herein or in any agreement or certificate delivered pursuant hereto shall prove to have been false in any material respect when made; (ii) the Village fails to pay any amount when due under this Agreement and further fails to pay such amount on or before five days following written notice of such failure; (iii) the Village breaches or fails to perform timely or observe timely any of its covenants or obligations under this Agreement which is not cured within thirty (30) days after written notice thereof to the Village (provided, however, if the default cannot reasonably be cured within such 30 day period, the Village shall not be deemed in default if it or the County commences to cure the default within such 30 day period and thereafter diligently pursues the completion of such cure and completes the same within a reasonable period thereafter but not later than 120 days following the notice or a longer time reasonably agreed to by the Developer.

b. **Remedies.** In the event of a Village Default hereunder, Developer and the County shall have all rights and remedies available under law or equity with respect to said default. Notwithstanding anything herein to the contrary, Developer's sole and exclusive remedy for any inadequate performance by the Village of any of its obligations under Section IV, paragraph 8 shall be to extend, day for day, the deadlines for Developer's performance of its obligations under Section V, paragraphs 5, 6 and 9.

c. **Reimbursement.** Any amounts expended by Developer or the County in enforcing the obligations of the Village under this Agreement, including reasonable attorney's fees, and any amounts expended by Developer or the County in curing a default on behalf of the Village, together with interest at the legal rate shall be reimbursed or paid to Developer or the County.

d. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

e. **Failure to Enforce Not a Waiver.** Failure of Developer or the County to enforce any provision contained herein shall not be deemed a waiver of Developer's or the

County's rights to enforce such provision or any other provision in the event of a subsequent default.

### 3. **County's Default.**

a. **Default.** The occurrence of any one of the following events shall constitute a default by the County hereunder (a "County Default"): (i) any representation or warranty of the County herein or in any agreement or certificate delivered pursuant hereto shall prove to have been false in any material respect when made; (ii) the County fails to pay any amount when due under this Agreement and further fails to pay such amount on or before five days following written notice of such failure; (iii) the County breaches or fails to perform timely or observe timely any of its covenants or obligations under this Agreement which is not cured within thirty (30) days after written notice thereof to the County (provided, however, if the default cannot reasonably be cured within such 30 day period, the County shall not be deemed in default if it or the County commences to cure the default within such 30 day period and thereafter diligently pursues the completion of such cure and completes the same within a reasonable period thereafter but not later than 120 days following the notice or a longer time reasonably agreed to by the Developer.

b. **Remedies.** In the event of the County Default, Developer and the Village shall have all rights and remedies available under law or equity with respect to said default. Notwithstanding anything herein to the contrary, Developer's sole and exclusive remedy for any inadequate performance by the County of any of its obligations under Section IV, paragraph 8 shall be to extend, day for day, the deadlines for Developer's performance of its obligations under Section V, paragraphs 5, 6 and 9.

c. **Reimbursement.** Any amounts expended by Developer or the Village in enforcing the obligations of the Village under this Agreement, including reasonable attorney's fees, and any amounts expended by Developer or the Village in curing a default on behalf of the County, together with interest at the legal rate shall be reimbursed or paid to Developer or the Village.

d. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

e. **Failure to Enforce Not a Waiver.** Failure of Developer or the Village to enforce any provision contained herein shall not be deemed a waiver of Developer's or the Village's rights to enforce such provision or any other provision in the event of a subsequent default.

## **SECTION IX - MISCELLANEOUS PROVISIONS**

1. **Assignability.** Except as provided in Section VII paragraph 2, none of the Developer, neither the Village nor the County may assign their rights or obligations under this Agreement without the prior written consent of the others; provided, however, that Developer may collaterally assign rights under this Agreement to Developer's Lender.



2. **No Personal Liability.** Under no circumstances shall any officer, official, commissioner, director, member, partner, owner or employee of the Village, County or any of the Developer's Lender, or their respective members, shareholders, directors or owners, have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability. The limitation on personal liability included in this Section shall extend to Developer's permitted assignment of this Agreement to a third party.

3. **Force Majeure.** No party shall be responsible to any other party for any resulting losses and it shall not be a default hereunder, and times for performance of obligations hereunder shall be extended, if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, lockouts, fires or other casualty, floods, acts of God, material adverse weather conditions, legally required environmental remedial actions, shortage or delay in shipment of materials, fuel, or labor, inability to secure any permits or approvals within usual timeframes from Developer's submission of completed applications and required information, including without limitation any mutually agreed upon litigation strategy, court order or final judgment resulting from any litigation affecting the validity of the TIF Plan, the Project or this Agreement, acquisition of any Project Areas or the carrying out of work under the TIF Plan or by any other cause not within the control of the party whose performance was interfered with, and with the exercise of reasonable diligence, such party is unable to prevent, whether of the class of causes hereinabove enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause ("Force Majeure"). Developer shall apply for and pursue any permits or approvals necessary for Developer's construction and operation of the Facility with all commercially reasonable diligence.

4. **Parties and Survival of Agreement.** Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the parties hereto and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Agreement shall remain operative and in full force and effect until fulfilled and shall survive the closing.

5. **Time.** Time is of the essence with regard to all specific dates and time periods set forth herein.

6. **Notices.** All notices, demands, certificates or other communications under this Agreement shall be given in writing and shall be considered given upon receipt if hand delivered to the party or person intended, or one business day after deposit with a nationally recognized overnight commercial courier service, airbill pre-paid, or forty-eight (48) hours after deposit in the United States mail postage prepaid, by certified mail, return receipt requested, addressed by name and address to the party or person intended as follows:

To the Village:           Maureen Murphy, Village Administrator  
8811 Campus Drive  
Mt. Pleasant, WI 53406

With a copy to:           Village Clerk  
8811 Campus Drive  
Mt. Pleasant, WI 53406

To the County: Jonathan Delagrave, County Executive  
830 Wisconsin Avenue, 10th Floor  
Racine, WI 53403

With a copy to: Michael J. Lanzdorf, Corporation Counsel  
730 Wisconsin Avenue  
Racine, WI 53403

To Developer: SIO International Wisconsin, Inc.  
c/o Scott C. Beightol  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

FEWI Development Corporation  
c/o Scott C. Beightol  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

AFE, Inc.  
c/o Scott C. Beightol  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

With a copy to: Scott C. Beightol  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

Nancy Leary Haggerty  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

Michael S. Green  
Michael, Best & Friedrich, LLP  
1 S. Pinckney Suite 700  
Madison, WI 53703

Notices required hereunder to be made to the Developer Notice Officer shall be made to:

Scott C. Beightol  
Michael, Best & Friedrich, LLP  
100 E. Wisconsin Ave. Suite 3300  
Milwaukee, WI 53202

To Municipalities' Agent:

Jenny Trick, Executive Director  
Racine County Economic Development Corporation  
2320 Renaissance Boulevard  
Sturtevant, WI 53177

Any party may change its address for notices hereunder by providing notice to the other in accordance with the requirements of this paragraph. Any notices to Developer shall also be sent simultaneously to Developer's Lender at such address provided by Developer to the Municipalities from time to time. The "Municipalities' Agent" shall be the party named above, who shall be able to confirm to the Municipalities the conclusion after reviewing such documents, whether or not the documents evidence to his/her satisfaction, the compliance with the relevant section of this Agreement.

7. **Cooperation and Coordination.** The Municipalities acknowledge that the development of the Project is a complex undertaking involving simultaneous acquisition of property, demolition of existing improvements, construction of new improvements and relocation of tenants. The Village covenants with Developer that in carrying out the TID Public Improvements, the Village Development Work, and the other obligations herein, the Village shall at all times coordinate its work schedules and work performance with Developer so as not to interfere with, interrupt, delay or increase the costs of the development of the Project. The Municipalities agree to timely meet, to conduct meetings subject to public notice and hearing requirements as reasonably necessary and as frequently as necessary to facilitate the Project as contemplated by this Agreement and to act on all plans and specifications incorporated herein. The Village shall assist Developer in obtaining, as expeditiously as possible, all permits, approvals, variances, licenses, certificates, inspections and consents as may be necessary or desirable to enable Developer to complete the Project within the timeframes set forth in the Schedule.

8. **Designated Parties for Approval.** Whenever the consent or approval of any of the Developer is required hereunder, the Municipalities shall be entitled to rely upon the Developer Notice Officer or his/her successor as the duly authorized agent of the Developer to provide such consent or approval. Such agent may be changed by written notice to the Municipalities executed by the Developers. Whenever the consent or approval of the Village is required hereunder, the Developer shall be entitled to rely upon the Village Administrator of the Village as the duly authorized agent of the Village to provide such consent or approval. Village will insure that the Village Board Resolution approving this Agreement specifically includes this ability of that named officer to agree to changes and modifications of this Agreement. Whenever the consent or approval of the County is required hereunder, the Developer shall be entitled to rely upon the County Executive as the duly authorized agent of the County to provide such consent or approval.

9. **Authority.** The signatories to this Agreement on behalf of each of the parties hereto have full right, power and authority to enter into this Agreement and to consummate the transactions contemplated herein. This Agreement is valid and enforceable against each of the parties hereto in accordance with its terms. Each instrument to be executed pursuant hereto or in connection herewith, will, when executed and delivered, be valid and enforceable in accordance with its terms against each party signing.

10. **Governing Law.** The laws of the State of Wisconsin shall govern this Agreement.

11. **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

12. **Execution in Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signature thereto and hereto were upon the same instrument.

13. **Disclaimer Relationships.** Developer acknowledges and nothing contained in this Agreement or any contract between Developer and the Municipalities or any act by the Village, the County or any third parties shall be deemed or construed by any of the parties or by third persons to create any relationship or third party beneficiary, principal or agent, limited or general partnership or joint venture or of any association or relationship involving the Municipalities. However, to the extent the Village is holding title to the Area II or Area III, on behalf and for the benefit of the Commission, Village shall be charged with securing the consent of the Commission to any obligations of the Commission contained herein.

14. **Severability.** If any provision of this Agreement shall be held or declared to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

15. **Joint and Several Liability.** All parties comprising the Developer and all parties comprising the Municipalities shall be jointly and severally liable with respect to all representations, warranties, covenants and other obligations undertaken by Developer and the Municipalities, respectively in this Agreement, and the Municipalities' and Developer's obligations hereunder are made to all Developer parties and Municipalities parties (respectively), jointly and severally. Without limiting the general application of the foregoing, the parties specifically agree that each Developer is jointly and severally liable with the other Developer parties for all payments due and owing hereunder, including but not limited to, the Area I Special Assessment, the Area II/II Special Assessment, the Makeup Payments and the Developer Advance. Developer shall have the right to internally allocate such liability amount the Developer parties, and to allocate payments due to Developer hereunder, within the Developer parties, without affecting this joint and several liabilities to the Municipalities. Without further limiting the general application of the foregoing and except where only one municipality is solely liable pursuant to

this Agreement or Wisconsin law or where only one municipality is able to perform the obligation at issue, the parties specifically agree that each of the Municipalities is jointly and severally liable with the other Municipality parties for obligations of the Municipalities hereunder.

16. **Choice of Law.** THIS AGREEMENT AND ALL DISPUTES AMONG THE PARTIES TO THIS AGREEMENT RELATING TO OR ARISING FROM IT OR TO THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF IT--WHETHER SOUNDING IN CONTRACT LAW OR OTHERWISE--SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED PURSUANT TO, THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF WISCONSIN.

17. **Venue, Jurisdiction.** Any judicial action relating to the construction, interpretation or enforcement of this Agreement, or the recovery of any principal, accrued interest, court costs, attorneys' fees and other amounts owed hereunder, shall be brought and venued in the U.S. District Court for the Eastern District of Wisconsin or the Racine County Circuit Court in Racine, Wisconsin. EACH PARTY HEREBY CONSENTS AND AGREES TO JURISDICTION IN THOSE WISCONSIN COURTS, AND WAIVES ANY DEFENSES OR OBJECTIONS THAT IT MAY HAVE ON PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS.

18. **Service of Process.** Developer and each and every one of them hereby represent and warrant to the Municipalities that they shall at all times during the duration of this Agreement maintain in Wisconsin an agent for service of legal process. The current agent for service shall be as set forth on the signature pages to this Agreement. The agent for service may be changed only upon ten days' prior written notice to the Municipalities.

19. **OFAC Compliance.** Each Developer party, each subsidiary of each Developer party and each person that directly or indirectly owns any equity interests in any Developer party represents and warrants to the Municipalities that it is in compliance (collectively, "Compliant Person") with all U.S. economic sanctions laws, Executive Orders and implementing regulations as promulgated by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act and all regulations issued pursuant to it. No Compliant Person (i) is a person designated by the U.S. government on the list of the Specially Designated Nationals and Blocked Persons (the "SDN List") with which a U.S. person cannot deal or otherwise engage in business transactions, (ii) is a person who is otherwise the target of U.S. economic sanctions laws such that a U.S. person cannot deal or otherwise engage in business transactions with such person or (iii) is controlled by (including by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person on the SDN List or a foreign government that is the target of U.S. economic sanctions prohibitions such that the entry into, or performance under, this Agreement would be prohibited under U.S. law.

20. **Recording Agreement.** This Agreement may be recorded in the office of the Racine County Register of Deeds against all property in the Project Areas acquired by Developer.



21. **No Conflict of Interest.** No member, officer or employee of the Municipalities shall have any interest, direct or indirect, in this Agreement or any proceeds thereof during his/her tenure or for one year thereafter.

22. **Income Taxes.** The Parties agree that no portion of this Agreement is intended to award to Developer any credit against income taxes.

23. **Currency.** All amounts to be paid or measured hereunder shall be in lawful currency of the United States (U.S. Dollars).

## SECTION X MISCELLANEOUS

1. **Parcel Development Agreement.** It is anticipated that some of the parcels of the Project Areas may be acquired by Developer and resold or leased to another owner, (each a "Parcel Owner") to develop that land for use in conjunction with Developer's business at the Facility, including those locating in the Project Areas intending to be a supplier of products or services to Developer (each, a "Supplier"), so that Developer can directly require development by that Parcel Owner that insures more Tax Increment, on a specific timetable, and to obligate that Parcel Owner to complete its construction in a timetable to produce product when needed by Developer. Notwithstanding anything contained herein regarding this Agreement being applicable to the successors and assigns of the parties herein, no Parcel Owner shall be entitled to receive any portion of the Developer Available Tax Increment, or other rights hereunder contained herein, and Developer shall remain liable for the obligations contained in this Agreement related to that Parcel Owner, unless otherwise released by agreement between the Developer and the Municipalities.

2. **Zero Liquid Discharge System.** Developer is exploring the implementation of a Zero Liquid Discharge ("ZLD") facility for the Facility. This ZLD facility will be unique to a large scale manufacturing plant in the United States, will be environmentally sound, foster other development in the Zone to make use of this technology, and all parties to this Agreement are committed to and support such environmental stewardship. To that end, the Municipalities will support the Developer's efforts to plan, construct, operate and maintain a ZLD facility for the Project, through federal or state governmental or private association cooperatives.

3. **Workforce Development.** The parties acknowledge that, while not specific to the Project, the County desires to enhance and sustain County Workforce Solutions and development initiatives in the County, including, but not limited to, encouraging talent recruiting services for employers in the County, including Developer, and promoting advanced manufacturing and trade apprenticeship programs. Further, the parties acknowledge that the County desires to enhance and sustain economic development efforts, programs and opportunities beneficial to new and existing businesses, including Developer, that directly foster job creation, increases to household income and increases to property tax base, which collectively better the overall economy of the County. Accordingly, subject to completion and approval of necessary applications and through cooperation with the State of Wisconsin, the County shall allocate the following funds toward workforce and economic development initiatives and Developer shall be allowed to participate with other County employers, in these programs:

- \$2,750,000 in the 2018;

- Subject to appropriations by the County Board, \$1,000,000 in each of 2019, 2020 and 2021.

4. **Moral Obligation.** The Municipalities shall pursue all necessary steps to secure the State of Wisconsin “moral obligation” extended to the TIF Revenue Bonds for 40% of the total public borrowing.

5. **Site Plan.** Developer is in the process of finalizing the site plan for the first portion of the Project in Area I, and Developer will submit the same to the Municipalities (including site plan footprints and building floor grades/elevations for water and sewer connections) not later than December 1, 2017.

[Remainder of page intentionally left blank – signature pages follow]

CONFIDENTIAL DRAFT

IN WITNESS WHEREOF, the parties to this Agreement have caused this instrument to be signed and sealed by duly authorized representative of Developer, the Village of Mount Pleasant and Racine County this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**VILLAGE OF MOUNT PLEASANT:**

By: \_\_\_\_\_

Countersigned:

By: \_\_\_\_\_

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

By: \_\_\_\_\_  
\_\_\_\_\_, Village Attorney  
State Bar No. \_\_\_\_\_

STATE OF WISCONSIN    )  
  ) SS  
RACINE COUNTY         )

Personally came before me this \_\_ day of December, 2017, the above named David DeGroot, the Village Board President, and Stephanie Kohlhagen, the Village Clerk, of the Village of Mount Pleasant, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public - State of Wisconsin  
My Commission: \_\_\_\_\_



**RACINE COUNTY:**

By: \_\_\_\_\_

Countersigned:

By: \_\_\_\_\_

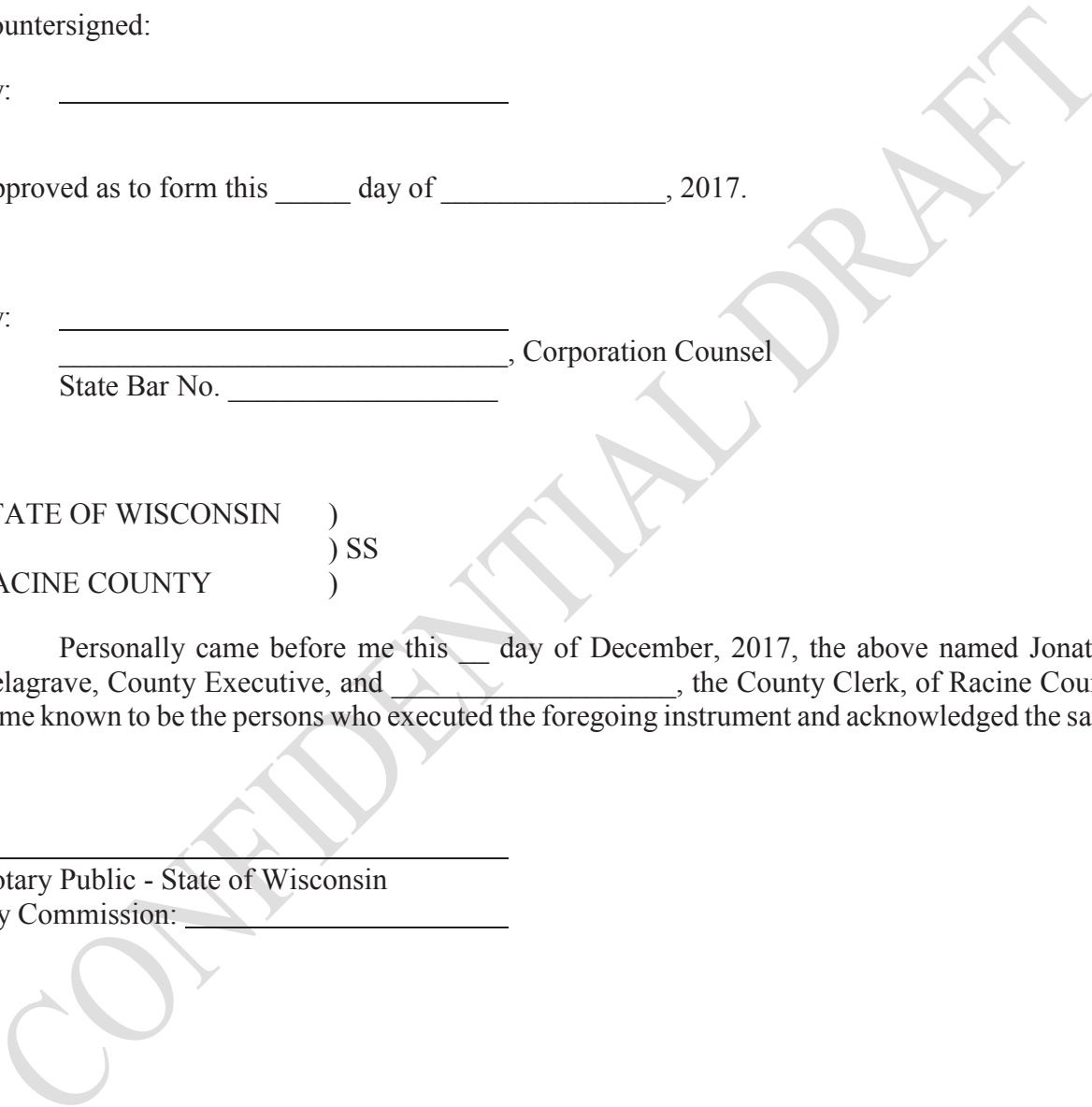
Approved as to form this \_\_\_\_ day of \_\_\_\_\_, 2017.

By: \_\_\_\_\_  
\_\_\_\_\_, Corporation Counsel  
State Bar No. \_\_\_\_\_

STATE OF WISCONSIN    )  
  ) SS  
RACINE COUNTY         )

Personally came before me this \_\_\_ day of December, 2017, the above named Jonathan Delagrave, County Executive, and \_\_\_\_\_, the County Clerk, of Racine County, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public - State of Wisconsin  
My Commission: \_\_\_\_\_



**SIO INTERNATIONAL WISCONSIN, INC.**

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF WISCONSIN     )  
  ) SS  
RACINE COUNTY         )

Personally came before me this \_\_\_ day of December, 2017, the above named \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public - State of Wisconsin  
My Commission: \_\_\_\_\_

**FEWI DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF WISCONSIN     )  
  ) SS  
RACINE COUNTY         )

Personally came before me this \_\_\_ day of December, 2017, the above named \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public - State of Wisconsin  
My Commission: \_\_\_\_\_

**AFE, INC.**

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF WISCONSIN     )  
  ) SS  
RACINE COUNTY         )

Personally came before me this \_\_\_ day of December, 2017, the above named \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public - State of Wisconsin  
My Commission: \_\_\_\_\_

ADDITIONAL SIGNATORIES

CONFIDENTIAL DRAFT

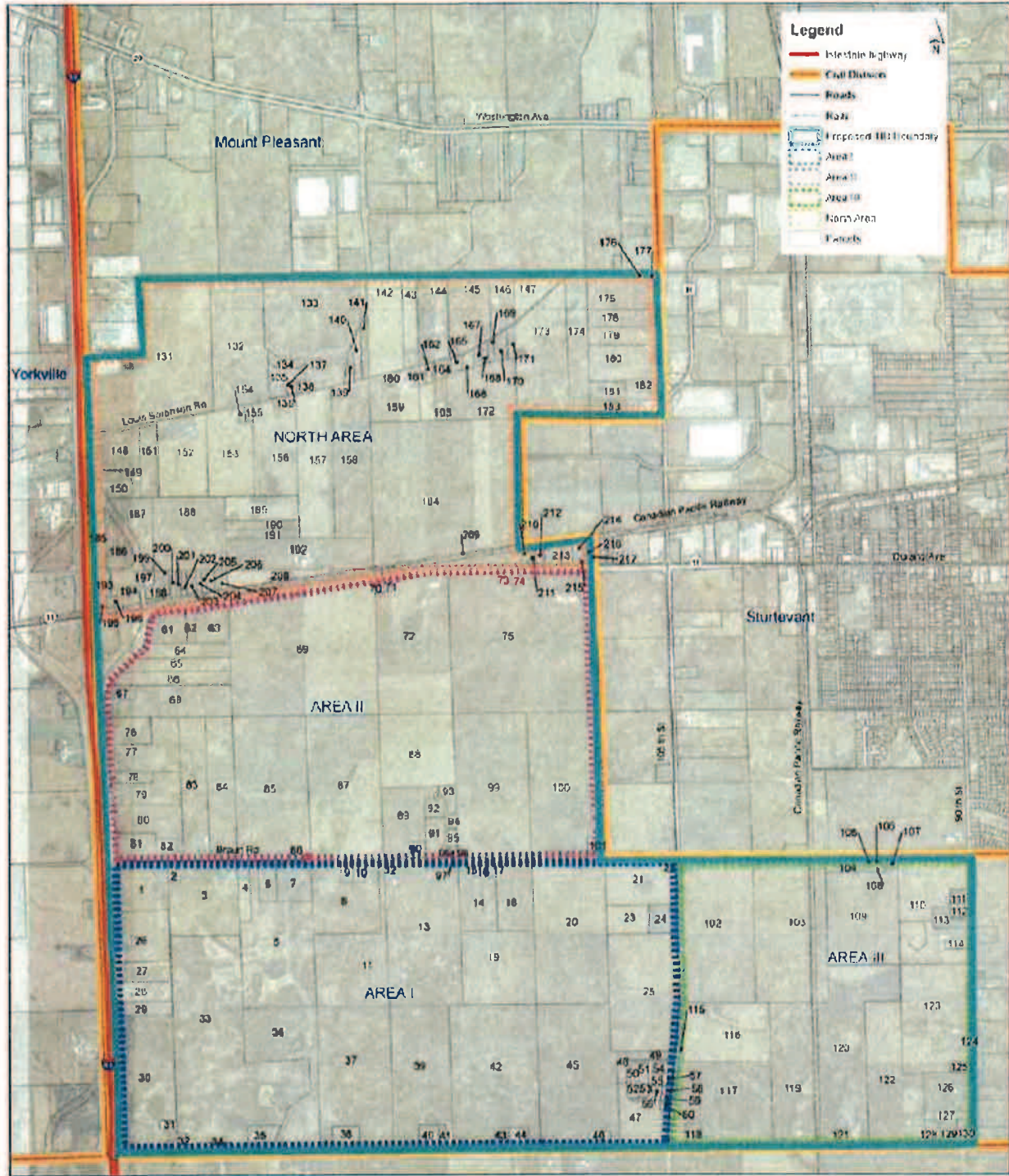
## EXHIBITS

Exhibit A	TID Area
Exhibit B	Project Areas
Exhibit C	Tentative First Phase Site Plan <i>(to be finalized)</i>
Exhibit D	Intergovernmental Cooperation Agreement
Exhibit E	Wisconsin DOT and Jurisdictional Transfer Agreements
Exhibit F	Rezoning Ordinance No. 20-2017
Exhibit G	Miscellaneous Definitions <i>(Intentionally Omitted)</i>
Exhibit H	Map of Parcels
Exhibit I	<i>Intentionally Omitted</i>
Exhibit J	TIF Plan and Map of the TID
Exhibit K	TID Public Improvements
Exhibit L	TID Public Improvements Plans, including Master Roadway Plan and Master Utility Plan <i>(to be subsequently updated)</i>
Exhibit M	TID Public Improvement Completion Plan <i>(to be completed)</i>
Exhibit N	The Village Development Work <i>(to be finalized)</i>
Exhibit O	Flow of Funds Chart and Ehlers Spreadsheet
Exhibit P	Conditional Grant Terms
Exhibit Q	Support Letters to Federal DOT
Exhibit R	Closing Condition <i>(to be finalized)</i>
Exhibit S	Limited Guaranty Agreement

Exhibits are subject to final review and may change in a non-substantive manner before execution of the Development Agreement

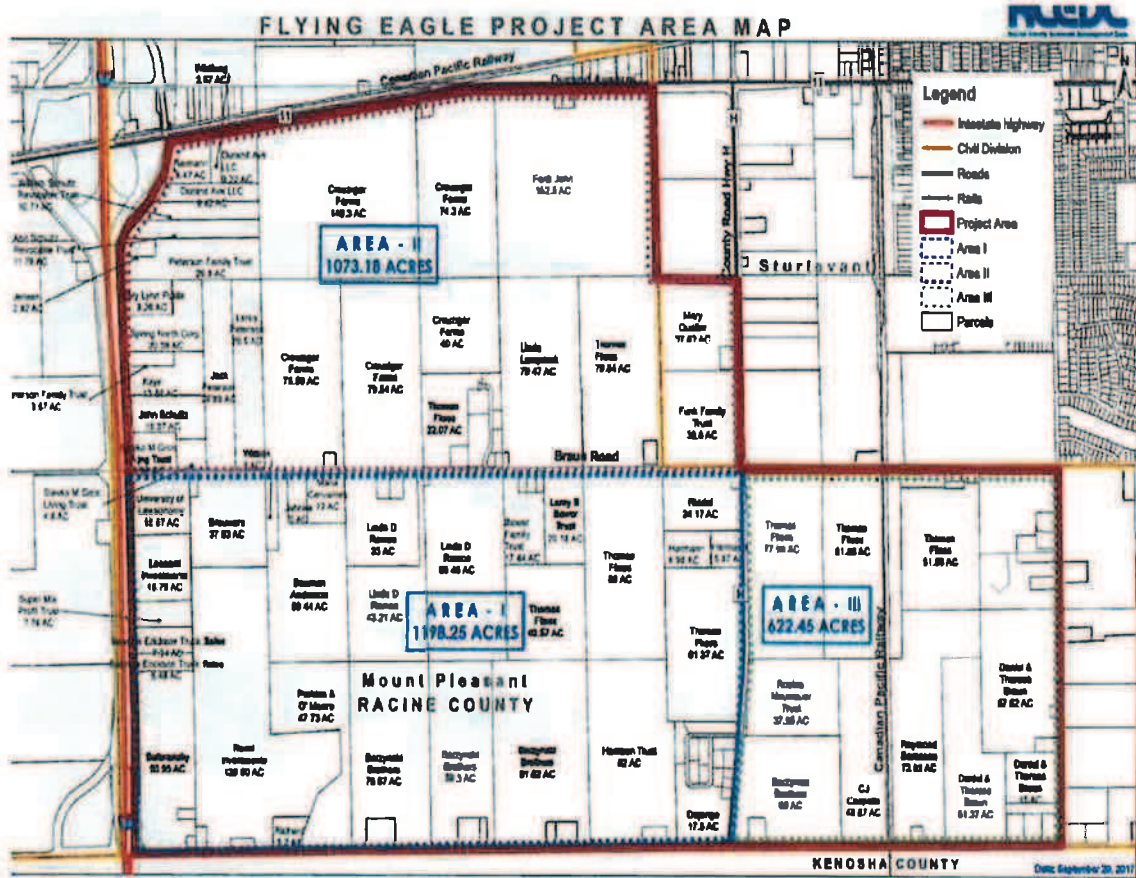
**EXHIBIT A**  
**TID Area**

**Village of Mount Pleasant  
Proposed TID Boundary Map**





## EXHIBIT B Project Areas





**EXHIBIT C**  
**Tentative First Phase Site Plan**

To be finalized

**EXHIBIT D**  
**Intergovernmental Cooperation Agreement**

See attached

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INTERGOVERNMENTAL COOPERATION AGREEMENT  
RELATING TO  
THE REGIONAL ECONOMIC DEVELOPMENT IN  
THE VILLAGE OF MOUNT PLEASANT, RACINE COUNTY

dated as of \_\_\_\_\_, 2017

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THIS INTERGOVERNMENTAL COOPERATION AGREEMENT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by Racine County, Wisconsin (the “County”) and the Village of Mount Pleasant, Wisconsin (the “Village”).

WITNESSETH:

WHEREAS, Wisconsin Statutes, Section 66.0301 (the “Intergovernmental Cooperation Act”) provides, among other things, that municipalities, including counties and villages may contract with other municipalities for the joint exercise of any power or duty required or authorized by law; and

WHEREAS, the County and the Village (collectively, the “Municipalities”) are municipalities of the State of Wisconsin that desire to enter into an intergovernmental cooperation agreement in order to jointly exercise their powers and provide assistance (“Assistance”) to a regional economic development project which is undertaken for public purposes (“Project”) under the provisions of the Intergovernmental Cooperation Act, pursuant to this Intergovernmental Cooperation Agreement (the “Agreement”); and

WHEREAS, the County Board of Supervisors of the County and the Village Board of the Village have each duly adopted a resolution approving this Agreement and authorizing the County and the Village, respectively, to become a party to this Agreement, pursuant to the Intergovernmental Cooperation Act; and

WHEREAS, to facilitate the joint exercise of the power of the County and the Village to provide Assistance to the Project, the County and the Village hereby enable a commission (the “Commission”) under this Agreement, pursuant to the Intergovernmental Cooperation Act;

NOW THEREFORE, for and in consideration of the mutual covenants herein set forth and other good and valuable consideration, the receipt of which is hereby acknowledged by each party, the parties hereto mutually covenant and agree as follows:

ARTICLE I

The Commission

1.1 Name of the Commission. The name of the commission created by this Agreement shall be the “Racine County/Village of Mount Pleasant Regional Economic Development Commission” (the “Commission”), which shall consist of Commissioners selected in accordance with Article III of this Agreement. So far as may be practicable, the Commissioners shall conduct the activities of the Commission, execute all documents and sue or be sued under the name of the Commission, which name (and the word “Commission” wherever used in this Agreement, except where the context otherwise requires) shall refer to the Commissioners in their capacity as Commissioners, and not individually or personally, and shall not refer to the officers, agents, employees, counsel, advisers, consultants, accountants of the Commission or the County or Village. Should the Commissioners determine that the use of such name for the Commission is not practicable, legal or convenient, they may use such other designation or they may adopt such other name for the Commission as they deem proper, and the Commission may hold property and conduct its activities under such designation or name. The

Commissioners shall take such action as they, acting under the express authority of County and Village and with the advice of counsel, shall deem necessary or appropriate to file or register such names in accordance with the Laws of the State of Wisconsin or the United States of America so as to protect and reserve the right of the Commission in and to such names.

1.2 Purpose. The purpose of the Commission is to provide a mechanism through which the County and the Village may jointly and cooperatively exercise their powers under the Laws of the State of Wisconsin to provide Assistance to the Project.

1.3 Nature of the Commission and this Agreement.

(a) The Commission shall be a commission created by this Agreement pursuant to the Intergovernmental Cooperation Act. The Commission is not intended to be, shall not be deemed to be, and shall not be treated as, a general partnership, limited partnership, joint venture, corporation, investment company, joint stock association, joint stock company or common law trust.

(b) This Agreement is an agreement of indefinite term regarding the joint or cooperative exercise of a power common to the parties hereto pursuant to the Intergovernmental Cooperation Act.

1.4 Definitions. As used in this Agreement, the following terms shall have the following meanings unless the context hereof otherwise requires:

“Agreement” shall mean this Agreement as amended, restated or modified from time to time. References in this Agreement to “Agreement”, “hereof”, “herein”, “hereby” and “hereunder” shall be deemed to refer to the Agreement and shall not be limited to the particular text, article or section in which such words appear.

“Area II” or “Area II Land” shall mean the land described as Area II on Exhibit A.

“Area III” or “Area III Land” shall mean the land described as Area III on Exhibit A.

“Assistance” means providing funds, including borrowed funds, for the acquisition of Area II Land and Area III Land, and conveying Area II Land and Area III Land, to assist the Project.

“Bank” means any lender providing financing to the Commission for the Project from time to time.

“Commission” or “Commissioners” shall mean the representatives of the County and the Village named as Commissioners pursuant to Article III hereof.

“Commission Bonds” shall mean the Revenue Obligations issued by the Commission pursuant to this Agreement.

“Commission Property” shall mean, as of any particular time, any and all property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to the Commission and all income, profits and gains therefrom and which, at such time, is owned or held by, or for the account of, the Commission.

“Company means SIO International Wisconsin, Inc., FEWI Development Corporation, and AFE, Inc.

“Development Agreement” means the Development Agreement dated on or about December 1, 2017, among the County, the Village and the Company with respect to development of the Project Area.

“Governing Body” shall mean the County Board of Supervisors of the County and the Village Board of the Village.

“Intergovernmental Cooperation Act” shall mean Wisconsin Statutes, Section 66.0301.

“Laws” shall mean common law and all ordinances, statutes, rules, regulations, orders, injunctions, decisions, opinions or decrees of any government or political subdivision or agency thereof, or any court or similar entity established by any thereof.

“Municipalities” shall mean the County and the Village.

“Permitted Investments” shall mean investment instruments permitted by law for the investment of moneys of municipalities.

“Person” shall mean and include individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other entities (whether or not legal entities) and governments and agencies and political subdivisions thereof.

“Program” shall mean the Project and related activities being undertaken by the County and the Village pursuant to this Agreement.

“Project” shall mean the regional economic development project undertaken by the County and the Village for public purposes, as set forth in the Development Agreement.

“Project Area” shall mean the total area described on Exhibit A.

“Revenue Obligations” means revenue bonds and revenue bond anticipation notes issued pursuant to Section 66.0621 of the Wisconsin Statutes.

“State” means the State of Wisconsin.

“TID” shall mean Tax Incremental District No. 5 of the Village, created in accordance with Section 66.1105, Wisconsin Statutes.



1.5 Principal Office. The principal office of the Commission shall be the office of the County Clerk, and the County Clerk shall be the legal custodian of the records of the Commission.

## ARTICLE II

### Powers of the Commission

2.1 General. The Commission may do and perform only such acts and things as it has been expressly authorized to do by the Municipalities and which are necessary and proper for conducting the affairs of the Program or promoting the interests of the Program. Such powers of the Commission may be exercised without the necessity of any order of, or resort to, any court. The following provisions in Sections 2.2 through 2.14 are examples of the permitted activities of the Commission, if and when expressly authorized by the Municipalities:

2.2 Borrowing. If expressly authorized by the Municipalities, the Commission has the power to borrow money through the issuance and sale of Revenue Obligations under Section 66.0621 of the Wisconsin Statutes to finance or refinance the Project (or portions thereof) undertaken by Municipalities to the extent permitted by the Intergovernmental Cooperation Act and other provisions of Law, and to enter into bond purchase agreements or loan agreements with respect to such Revenue Obligations. The Commission shall also have the power to invest the proceeds of any such borrowing in Permitted Investments.

2.3 Legal Title.

(a) Legal title to all of the Commission Property shall be vested in the Commission on behalf of the Municipalities and be held by and transferred to the Commission, except that the Commission shall have full and complete power to cause legal title to any Commission Property to be held, on behalf of the Municipalities, by or in the name of the Village, on such terms, in such manner, and with such powers as the Municipalities may determine, so long as in the judgment of the Municipalities the interests of the Program and the Municipalities are adequately protected.

(b) No Commissioner shall have any right, title or interest in or to any of the Commission Property, except in his or her capacity as a Commissioner.

2.4 Disposition of Assets. If expressly authorized by the Municipalities and subject in all respects to the Laws from time to time applicable to municipalities, the Commission shall have power to sell, exchange or otherwise dispose of any and all Commission Property free and clear of any and all trusts and restrictions, at public or private sale, for cash or on terms, with or without advertisement, and subject to such restrictions, stipulations, agreements and reservations as the Municipalities shall deem proper, and to execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection with the foregoing.

2.5 Rights as Holders of Commission Property. If expressly authorized by the Municipalities, the Commission shall have power to exercise on behalf of the Municipalities all of the rights, powers and privileges appertaining to the ownership of all or any property forming part of the Commission Property to the same extent of any individual.

2.6 Delegation. If expressly authorized by the Municipalities, the Commission shall have power (consistent with its continuing exclusive authority over the management of the Program, the conduct of its affairs, the duties and obligations of the Commissioners as Commissioners, and the management and disposition of Commission Property), to delegate from time to time to such one or more Commissioners or to officers, employees or agents of the Commission the doing of such acts and things and the execution of such instruments either in the name of the Program, or the name of the Commission or as its attorney or attorneys, or otherwise as the Commission may from time to time deem expedient and appropriate in the furtherance of the business affairs and purposes of the Program.

2.7 Collection. If expressly authorized by the Municipalities, the Commission shall have power: (i) to collect, sue for, receive and receipt for all sums of money or other property due to the Commission or the Program; (ii) to consent to extensions of the time for payment, or to the renewal of any securities, investments or obligations; (iii) to engage or intervene in, prosecute, defend, compromise, abandon or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands or things relating to Commission Property; (iv) to foreclose any collateral, security or instrument securing any investments, notes, bills, bonds, obligations or contracts by virtue of which any sums of money are owed to the Commission or the Program; (v) to exercise any power of sale held by it, and to convey good title thereunder free of any and all trusts, and in connection with any such foreclosure or sale, to purchase or otherwise acquire title to any property; (vi) to be a party to reorganization and to transfer to and deposit with any corporation, committee, voting trustee or other Person any securities, investments or obligations of any person which form a part of Commission Property, for the purpose of such reorganization or otherwise; (vii) to participate in any arrangement for enforcing or protecting the interests of the Commission as the owner or holder of such securities, investments or obligations and to pay any assessment levied in connection with such reorganization or arrangement; (viii) to extend the time (with or without security) for the payment or delivery of any debts or property and to execute and enter into releases, agreements and other instruments; and (ix) to pay or satisfy any debts or claims upon any evidence that the Commission shall deem sufficient.

2.8 Payment of Expenses. If expressly authorized by the Municipalities, the Commission shall have power: (i) to incur and pay any charges or expenses which in the opinion of the Commission is necessary or incidental to or proper for carrying out any of the purposes of this Agreement; (ii) to reimburse others for the payment therefor; and (iii) to pay appropriate compensation or fees from the funds of the Program to Persons with whom the Commission has contracted or transacted business. The Commissioners shall not be paid compensation for their general services as Commissioners hereunder. The Commissioners, or any one or more of them or any other person or entity, may be reimbursed by the Commission for expenses reasonably incurred by any of them on behalf of the Commission or the Program.

2.9 Deposits. If expressly authorized by the Municipalities, the Commission shall have power to deposit, in such manner as may now or hereafter be permitted by Law, any moneys or funds included in the Commission Property, and intended to be used for the payment of expenses of the Program or the Commission, with any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in the State. Such deposits are to be subject to withdrawal in such manner as the Commission may determine,

and the Commissioners shall have no responsibility for any loss which may occur by reason of the failure of the credit union, bank, savings bank, trust company or savings and loan association with which the moneys, investments, or securities have been deposited. Each such credit union, bank, savings bank, trust company and savings and loan association shall comply, with respect to such deposits, with all applicable requirements of all applicable Laws, including, but not limited to, Laws of the State relating to municipalities.

2.10 Power to Contract, Appoint, Retain and Employ.

(a) If expressly authorized by the Municipalities and subject to the provisions of Section 2.6 hereof with respect to delegation of authority by the Commission, the Commission shall have power to appoint, employ, retain, or contract with any Person of suitable qualifications as the Commission may deem necessary, or desirable for the transaction of the affairs of the Commission, including any Person or Persons who, under the supervision of the Commission, may, among other things: (i) serve as the Commission's adviser and consultant in connection with policy decisions made by the Commission; (ii) serve as the Program's administrator or co-administrators; (iii) act as consultants, accountants, technical advisers, attorneys, brokers, underwriters, trustees, corporate fiduciaries, escrow agents, depositaries, custodians or agents for collection, insurers or insurance agents, or in any other capacity deemed by the Commission to be necessary or desirable; or (iv) assist in the performance of such ministerial functions necessary in the management of the Program as may be agreed upon with the Commission.

(b) The manner of employing, engaging, compensating, transferring or discharging any Person as an employee of the Commission shall be subject to Laws of the State. For purposes of the preceding sentence, "employee of the Commission" shall not include independent contractors such as a financial advisor, an underwriter, a trustee, legal counsel or independent accountants and their respective employees.

2.11 Seal. If expressly authorized by the Municipalities, the Commission shall have power to adopt and use a seal for the Program, but, unless otherwise required by the Commission, it shall not be necessary for the seal to be placed on, and its absence shall not impair the validity of, any document, instrument or other paper executed and delivered by or on behalf of the Commission.

2.12 Remedies. Notwithstanding any provision in this Agreement, when the Commission deems that there is a significant risk that an obligor to the Commission may default or is in default under the terms of any obligation to the Commission and if expressly authorized by the Municipalities, the Commission shall have power to pursue any remedies permitted by Law which are in the interests of the Commission and the Program, and the Commission shall have power to enter into any investment, commitment or obligation of the Commission resulting from the pursuit of such remedies as is necessary or desirable to dispose of property acquired in the pursuit of such remedies.

2.13 Further Powers. If expressly authorized by the Municipalities, the Commission shall have power to take all such actions, do all such matters and things and execute all such instruments as the Commissioners deem necessary, proper or desirable in order to carry out, promote or advance the interests and purposes of the Commission and the Program although



such actions, matters or things are not herein specifically mentioned. Any determination as to what is in the best interests of the Commission and the Program made by the Commissioners in good faith shall be conclusive. The Commission shall not be required to obtain any court order to deal with Commission Property.

2.14 Compliance with Laws. The Commissioners shall at all times exercise all powers granted hereunder in compliance with, and the operations of the Program shall at all times be conducted in accordance with, the applicable Laws of the State and the express authorizations of the Municipalities.

### ARTICLE III

#### Commissioners and Officers

##### 3.1 Number and Qualification.

(a) The Commission shall consist of four Commissioners, two of whom shall be representatives of the County and two of whom shall be representatives of the Village.

(b) The County representatives on the Commission shall be the County Executive and one County Board appointee, except that the County Board may designate other representatives by duly adopted resolution of the County Board. The Village representatives on the Commission shall be the Village President and one Village Trustee, except that the Village Board may designate other representatives by duly adopted resolution of the Village Board.

(c) Whenever a vacancy on the Commission shall exist, until such vacancy is filled as provided in Section 3.3 hereof, the Commissioners or Commissioner continuing in office, regardless of their number, shall have all the powers granted to the Commission and shall discharge all the duties imposed upon the Commission by this Agreement.

(d) The Commissioners, in their capacity as Commissioners, shall not be required to devote their entire time to the business and affairs of the Commission and the Program.

3.2 Term. Each Commissioner named shall herein hold office as a Commissioner for so long as he or she holds the Village or County office by virtue of which he or she serves as Commissioner in accordance with Section 3.1(b) above, or as otherwise designated by duly adopted resolution of the County Board or the Village Board, as appropriate. Any successor to such Village or County office shall become a Commissioner by virtue of holding such office or as designated by the County Board or the Village Board, as appropriate.

3.3 Vacancies.

(a) The term of office of a Commissioner shall terminate and a vacancy shall occur in the event such Commissioner ceases to hold the Village or County office by virtue of which he or she serves as a Commissioner or if a successor Commissioner is designated consistent with Section 3.1(b) above.

(b) No such vacancy shall operate to annul this Agreement or to revoke any existing agency created pursuant to the terms of this Agreement.

3.4 Meetings.

(a) Meetings of the Commission shall be held from time to time upon the call of any Commissioner either at Village Hall or County offices at Ives Grove. Regular meetings of the Commissioners may be held without call at a time and place fixed by the By-Laws or by resolution of the Commissioners. Notice of any other meeting shall be mailed or otherwise given not less than 24 hours before the meeting absent good cause shown. Any notice required by the Wisconsin Open Meetings Law (Wisconsin Statutes Sections 19.81 *et seq.*) shall also be given. A quorum for all meetings of the Commission shall be at least three of the Commissioners. Unless specifically provided otherwise in this Agreement, any action of the Commission may be taken at a meeting by a unanimous vote of the Commissioners present (a quorum being present). Any agreement or other instrument or writing executed by one or more of the Commissioners or by any authorized Person shall be valid and binding upon the Commission and upon the Program when authorized or ratified by action of the Commissioners as provided in this Agreement.

(b) All or any one or more Commissioners may, if permitted by applicable Law, participate in a meeting of the Commission or any committee thereof by utilizing conference telephone or similar communications equipment by means of which all persons participating in the meeting, including members of the public, can hear each other and participation in a meeting pursuant to such communications shall constitute presence in person at such meeting. The minutes of any meeting of the Commission held by utilizing such communications equipment shall be prepared in the same manner as those of a meeting of the Commission held in person.

3.5 Officers. The Commissioners shall annually elect, from among their numbers, a Chairperson who shall be the chief officer of the Commission and a Vice Chairperson/Secretary who shall have such duties as the Commission shall deem advisable and appropriate.

3.6 By-Laws. If expressly authorized by the Municipalities, the Commissioners shall adopt and, from time to time, amend or repeal By-Laws for the conduct of the business of the Commission, and in such By-Laws, among other things, may define the duties of the respective officers, agents, employees and representatives of the Commission.

## ARTICLE IV

### The Program

4.1 Objective of the Program. The objective of the Program is to provide a vehicle for the Municipalities to provide Assistance to the Project. The Municipalities expect that certain Program activities will be provided through the Commission and that others will be provided by the County and the Village as described in the Development Agreement.

4.2 Operation of the Program. In order to carry out the Program, the County and the Village agree that the Commission shall have certain obligations and responsibilities. By approval and execution of this Agreement, the County and the Village agree to assign to the Commission certain duties to carry out the obligations and responsibilities assigned.

## ARTICLE V

### Limitations of Liability

5.1 Liability to Third Persons. No Municipality shall be subject to any personal liability whatsoever, in tort, contract or otherwise to any other Person or Persons in connection with Commission Property or the affairs of the Commission or the Program; and no Commissioner, officer, employee or agent of the Commission shall be subject to any personal liability whatsoever in tort, contract or otherwise, to any other Person or Persons in connection with Commission Property or the affairs of the Commission or the Program, except that each shall be personally liable for his or her bad faith, willful misconduct, gross negligence or reckless disregard of his or her duties or for his or her failure to act in good faith in the reasonable belief that his or her action was in the best interests of the Program and all such other Persons shall look solely to the Commission Property for satisfaction of claims of any nature arising in connection with the affairs of the Commission or the Program. If any Commissioner, officer, employee or agent of the Commission or either Municipality is made a party to any suit or proceedings to assert or enforce any such liability, he or she shall not on account thereof be held to any personal liability.

5.2 Liability to the Program or to the Municipalities. No Commissioner, officer, employee or agent of the Commission shall be liable to the Commission or the Program or to any Commissioner, officer, employee or agent of the Commission or any Participant of the Program for any action or failure to act (including, without limitation, the failure to compel in any way any former or acting Commissioner to redress any breach of his duties hereunder) except for his or her own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties provided, however, that the provisions of this Section 5.2 shall not limit the liability of any agent of the Commission with respect to breaches by it of a contract between it and the Commission.

5.3 Indemnification.

(a) The Commission shall indemnify each of its Commissioners and officers, employees and agents designated by the Commission to receive such indemnification, against all liabilities and expenses (including, without limitation, amounts paid in satisfaction of judgments,



in compromise or as fines and penalties, and counsel fees) reasonably incurred by him or her in connection with the defense or disposition of any action, suit or other proceeding by the Commission or any other Person, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office or thereafter, by reason of his or her being or having been such a Commissioner, officer, employee or agent, except as to any matter as to which he or she shall have been adjudicated to have acted in bad faith or with willful misfeasance or reckless disregard of his or her duties or gross negligence provided, however, that the provisions of this Section 5.3 shall not be construed to permit the indemnification of any agent of the Commission with respect to breaches by it of a contract between it and the Commission; and further provided, however, that as to any matter disposed of by a compromise payment by such Commissioner, officer, employee or agent, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless the Commission shall have received a written opinion from independent counsel approved by the Commission to the effect that if the foregoing matters had been adjudicated, the defenses that could have been presented on behalf of such Commissioner, officer, employee or agent were meritorious. The rights accruing to any Commissioner, officer, employee or agent under the provisions of this paragraph (b) of this Section 5.3 shall not exclude any other right to which he or she may be lawfully entitled; provided, however, that no Commissioner, officer, employee or agent may satisfy any right of indemnity or reimbursement granted herein or to which he or she may be otherwise entitled except out of the Commission Property, and no Participant shall be personally liable to any Person with respect to any claim for indemnity or reimbursement or otherwise. The Commission may make advance payments in connection with indemnification under this Section 5.3, provided that the indemnified Commissioner, officer, employee or agent shall have given a written undertaking to reimburse the Commission in the event that it is subsequently determined that he or she is not entitled to such indemnification.

(b) Any action taken by, or conduct on the part of a Commissioner, an officer, an employee or an agent of the Commission in conformity with, or in good faith reliance upon, the provisions of Section 5.7 hereof shall not, for the purpose of this Agreement (including, without limitation, Sections 5.1 and 5.2 and this Section 5.3) constitute bad faith, willful misfeasance, gross negligence or reckless disregard of his or her duties.

5.4 Surety Bonds. No Commissioner shall, as such, be obligated to give any bond or surety or other security for the performance of any of his or her duties.

5.5 Apparent Authority. No purchaser, seller, transfer agent or other Person dealing with the Commission or any officer, employee or agent of the Commission shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Commission or by such officer, employee or agent or make inquiry concerning or be liable for the application of money or property paid, transferred or delivered to or on the order of the Commission or of such officer, employee or agent.

5.6 Recitals. Any written instrument creating an obligation of the Commission shall be conclusively taken to have been executed by a Commissioner or an officer, employee or agent of the Commission only in his or her capacity as a Commissioner under this Agreement or in his or her capacity as an officer, employee or agent of the Commission. Any written instrument creating an obligation of the Commission shall refer to this Agreement and contain a recital to

the effect that the obligations thereunder are not personally binding upon, nor shall resort be had to the property of, any of the Commissioners, officers, employees or agents of the Program, or of either the County or the Village, and that only the Commission Property or a specific portion thereof shall be bound, and such written instrument may contain any further similar recital which may be deemed appropriate; provided, however, that the omission of any recital pursuant to this Section 5.6 shall not operate to impose personal liability on any of the Commissioners, officers, employees or agents of the Commission or on either the County or the Village.

5.7 Reliance on Experts. Each Commissioner and each officer of the Commission shall, in the performance of his or her duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Commission or the Program, upon an opinion of counsel or upon reports made to the Commission by any of its officers or employees or by the accountants, appraisers or other experts or consultants selected with reasonable care by the Commission or officers of the Commission.

5.8 No Waiver. Nothing in this Agreement shall be construed as constituting the waiver of any immunity from liability available to the Commission or the Commissioners, officers, employees or agents of the Commission or to the County or the Village, pursuant to any applicable provision of Law.

## ARTICLE VI

### Amendment of Agreement or Termination of Commission

#### 6.1 Amendment or Termination.

(a) The provisions of this Agreement may be amended or altered (except as to the limitations on personal liability of the Commissioners), or the Commission may be terminated, only by resolutions adopted by both the County Board of Supervisors of the County and the Village Board of the Village; provided that the Commission shall not be terminated while any Commission Bonds or other debt instruments of the Commission remain outstanding.

(b) Upon the termination of the Commission pursuant to this Section 6.1:

(i) The Commission shall carry on no business except for the purpose of winding up its affairs; and

(ii) The Commission shall proceed to wind up the affairs of the Commission and all of the powers of the Commission under this Agreement shall continue until the affairs of the Commission shall have been wound up, including, without limitation, the power to fulfill or discharge the contracts of the Commission, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Commission Property of the Commission to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and do all other acts appropriate to liquidate its affairs; provided, however, that any sale, conveyance, assignment, exchange, transfer or other disposition of all or substantially all of the Commission Property of the Commission shall require approval of the principal terms of the

transaction and the nature and amount of the consideration by unanimous vote of the Commissioners.

(c) Upon termination of the Commission, the Commissioners shall thereupon be discharged from all further liabilities and duties hereunder.

## ARTICLE VII

### Miscellaneous

7.1 Governing Law. This Agreement is executed and delivered in the State and with reference to the Laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the Laws of the State.

7.2 Counterparts. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

7.3 Reliance by Third Parties. Any certificate executed by an individual who, according to the records of the Commission, appears to be a Commissioner hereunder certifying to: (i) the number or identity of Commissioners; (ii) the due authorization of the execution of any instrument or writing; (iii) the form of any vote passed at a meeting of Commissioners; (iv) the fact that the number of Commissioners present at any meeting or executing any written instrument satisfies the requirements of this Agreement; (v) the form of any By-Law adopted by or the identity of any officers elected by the Commissioners; or (vi) the existence of any fact or facts which in any manner relate to the affairs of the Commission and the Program, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Commission or the Program and the successors of such Person.

7.4 Provisions in Conflict with Law. The provisions of this Agreement are severable, and if the Commission shall determine, with the advice of counsel, that any one or more of such provisions (the "Conflicting Provisions") are in conflict with applicable federal or Wisconsin Laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Agreement; provided, however, that such determination by the Commission shall not affect or impair any of the remaining provisions of this Agreement or render invalid or improper any action taken or omitted (including, but not limited to, the election of Commissioners) prior to such determination.

7.5 Section Headings. Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for the convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

IN WITNESS WHEREOF, Racine County, Wisconsin, and the Village of Mount Pleasant, Wisconsin, have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the day and year first above written.

RACINE COUNTY, WISCONSIN

By \_\_\_\_\_  
County Executive

Attest \_\_\_\_\_  
County Clerk

VILLAGE OF MOUNT PLEASANT, WISCONSIN

By \_\_\_\_\_  
President

Attest \_\_\_\_\_  
Village Clerk

DRAFT

EXHIBIT A

Description of Project Area and Areas II and III

29553130\_3.DOCX

DRAFT

**EXHIBIT E**  
**Wisconsin DOT and Jurisdictional Transfer Agreements**

See attached



**AGREEMENT**

by

**THE VILLAGE OF MOUNT PLEASANT, WISCONSIN**

and

**RACINE COUNTY**

and

**THE WISCONSIN DEPARTMENT OF TRANSPORTATION.**

October 30, 2017

This Agreement contains the agreements of the Village of Mount Pleasant ("Village"), Racine County ("County") and the Wisconsin Department of Transportation ("DOT"), collectively the parties ("Parties").

WHEREAS the Village, County, and DOT anticipate increased demands upon existing highways in the area as a result of increased development in the Village and County that will necessitate improvement of such highways;

WHEREAS such increased demands require an extraordinarily high level of synchronization and cooperation by the Parties, in order to complete all projects described herein in a timely manner;

WHEREAS the Village and County believe it advantageous due to the size and scope of such anticipated improvements to assign jurisdiction of certain highways to DOT for purposes of carrying out anticipated improvements;

WHEREAS DOT believes the nature of the anticipated highways improvements are a matter of statewide transportation concern; and The Parties agree to the following:

**A. VILLAGE RESPONSIBILITIES:**

**The Village shall:**

1. Execute a jurisdictional transfer agreement, by November 1, 2017, transferring jurisdiction of International Drive, from STH 20 to STH 11, to DOT.
2. Execute a jurisdictional transfer agreement, by November 1, 2017, transferring jurisdiction of Braun Road, from 90<sup>th</sup> Street to East Frontage Road, to DOT.

3. Accept from DOT, transfer of jurisdiction of International Drive, from STH 20 to STH 11, immediately following notification from DOT that the DOT Responsibilities described in sub. C are complete.

4. Accept from DOT, transfer of jurisdiction of Braun Road from 90<sup>th</sup> Street to East Frontage Road, immediately following notification from DOT that the DOT responsibilities described in sub. C are complete.

5. When requested by DOT, once funds are available, but not later than January 1, 2023, pay to DOT, Eleven Million Five Hundred Thousand Dollars (\$11,500,000).

- 6.
- a) Cooperate with DOT regarding scheduling and sequencing plans for all DOT responsibilities in sub. C, through November 1, 2017, and beyond, as needed to complete such actions.
  - b) Cooperate and coordinate scheduling with DOT to accomplish utility relocations and installations, by January 1, 2018, and beyond as needed to complete such actions.

7. Acquire, with Village funds, by May 1, 2018, or as soon as possible thereafter, all property and property rights required to permit DOT's initiation of all responsibilities described in sub. C.

8. Assume sole responsibility and all costs for planning, implementing, and completing any utility relocations or installations, decorative upgrades or enhancements desired in CTH H, CTH KR, International Drive and Braun Road.

9. Assist DOT with storm water management and flood control strategies for CTH KR. The scope of such assistance shall be further defined in additional state-municipal agreements implementing DOT Responsibilities.

10. Assist DOT with public information activities regarding all DOT responsibilities, as described herein. The scope of such assistance shall be further defined in additional state-municipal agreements implementing DOT Responsibilities.

**B. COUNTY RESPONSIBILITIES:**

**The County shall:**

1. Execute a jurisdictional transfer agreement by November 1, 2017, transferring jurisdiction of CTH H, from STH 20 to CTH KR, to DOT.

2. Execute a jurisdictional transfer agreement by November 1, 2017, transferring jurisdiction of CTH KR, from 90<sup>th</sup> Street to West Frontage Road, to DOT.

3.
  - a) Cooperate with DOT regarding scheduling and sequencing plans for all DOT responsibilities in sub. C., as described herein, through November 1, 2017, and beyond, as needed to complete such actions.
  - b) Cooperate and coordinate with DOT to accomplish utility relocation and installations, by January 1, 2018, and beyond, as needed to complete such actions.
4. Accept from DOT, transfer of jurisdiction of CTH H, from STH 20 to CTH KR, immediately following DOT's notification that DOT's responsibilities described in sub. C. have been completed.
5. Accept from DOT, transfer of jurisdiction of CTH KR, from 90<sup>th</sup> Street to West Frontage Road, immediately following DOT's notification that DOT's responsibilities described in sub. C. have been completed.
6. Provide funds to Village equal to 100% of the costs to Village for land acquisition, utility relocations and installations (if any) and decorative upgrades or enhancements (if any) regarding the improvement of the portions of CTH H and CTH KR described in paragraphs 1 and 2, above.
7. Provided that TID #5 in the Village of Mount Pleasant closes prior to 2043, pay to DOT 50% of County's receipt of taxes from the properties in TID #5 between the time of TID #5 closure and 2043, to a maximum total of Eleven Million Five Hundred Thousand Dollars (\$11,500,000).
8. Assist DOT with storm water management and flood control strategies for CTH KR. The scope of such assistance shall be further defined in additional state-municipal agreements implementing DOT Responsibilities.
9. Assist DOT with public information activities regarding all DOT responsibilities described in sub. C. The scope of such assistance shall be further defined in additional state-municipal agreements implementing DOT Responsibilities.

**C. DOT RESPONSIBILITIES:**

**DOT shall:**

1. Assume jurisdiction from County of CTH H, from STH 20 to CTH KR, and CTH KR, from 90<sup>th</sup> Street to West Frontage Road.
2. Assume jurisdiction from Village of International Drive, from STH 20 to STH 11 and Braun Road, from 90<sup>th</sup> Street to East Frontage Road.
3. Following completion of DOT responsibilities, as described herein, transfer jurisdiction to County and Village, respectively, the road sections described in 1 and 2, above.

4. Fund, develop and implement all necessary roadway improvements to meet development requirements for all of the road sections described in 1, 2 and 3, above, by January 1, 2021, following relevant state and federal rules, in accordance with exhibits, either annexed hereto or added subsequently by mutual agreement, all of which are incorporated by reference.

5. Expend all funds paid by County under sec. B. 7, herein, for the improvement of local roads and streets in Racine County.

6. Cooperate with County and Village regarding scheduling and sequencing plans for the responsibilities of all Parties, as described herein.

**ADDITIONAL PROVISIONS:**

1. During the period of DOT jurisdiction of the aforesaid road sections, County and/or Village shall perform, at their cost, all routine maintenance, including snow removal and mowing, all permitting, and all signing.

2. DOT, during the period of DOT jurisdiction of the aforesaid road sections, as recognition of the costs incurred by the County and/or Village's continued maintenance obligations on the aforesaid road sections, will pay as part of the maintenance agreement the same amounts otherwise payable as transportation aids.

3. In the event of default by any parties, the non-defaulting parties shall have all rights permitted by Wisconsin law.

**(SIGNATURES ON FOLLOWING PAGE)**

Date: October 23, 2017

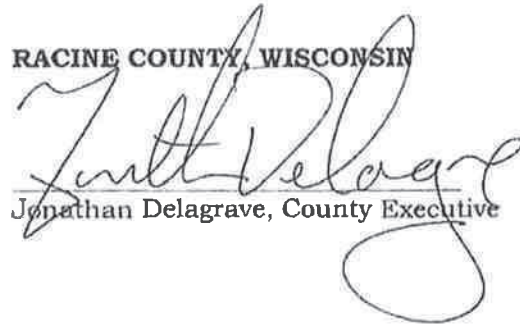
**VILLAGE OF MOUNT PLEASANT,  
WISCONSIN**



David DeGroot, Village President

Date: October 31, 2017

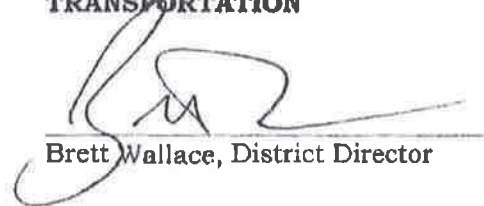
**RACINE COUNTY, WISCONSIN**



Jonathan Delagrave, County Executive

Date: October 30, 2017

**WISCONSIN DEPARTMENT OF  
TRANSPORTATION**



Brett Wallace, District Director



Date: October \_\_\_\_, 2017

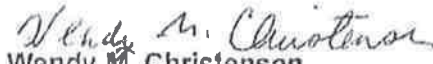
**VILLAGE OF MOUNT PLEASANT,  
WISCONSIN**

  
\_\_\_\_\_  
David DeGroot, Village President

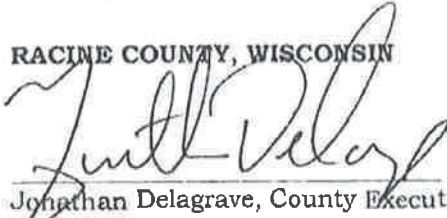
Date: October 26, 2017

**REVIEWED BY FINANCE DIRECTOR**

  
\_\_\_\_\_  
Sign 10-26-17 Date

  
Wendy M. Christensen  
Racine County Clerk 10/26/17

**RACINE COUNTY, WISCONSIN**

  
\_\_\_\_\_  
Jonathan Delagrave, County Executive 10-26-17

Date 10/26/17  
Certified to be correct as to form

By   
\_\_\_\_\_  
Racine County Corporation Counsel

Date: October \_\_\_\_, 2017

**WISCONSIN DEPARTMENT OF  
TRANSPORTATION**

\_\_\_\_\_  
Brett Wallace, District Director

**STATE OF WISCONSIN  
DEPARTMENT OF TRANSPORTATION**

**STATE TRUNK HIGHWAY JURISDICTIONAL TRANSFER AGREEMENT**

**INTERNATIONAL DRIVE  
AND  
BRAUN ROAD**

**VILLAGE OF MOUNT PLEASANT, RACINE COUNTY**

**1. Introduction**

The Wisconsin Department of Transportation (DEPARTMENT) has proposed a change to a segment of the State Trunk Highway System in the Village of Mount Pleasant, Racine County, whereby portions of Braun Road and International Drive will be jurisdictionally transferred from the Village of Mount Pleasant (VILLAGE) to the DEPARTMENT, to allow the DEPARTMENT to design and construct one or more highway improvement projects (collectively the Project). This Project will include improvements to Braun Road and International Drive, including extending International Drive from its current southerly terminus (located approximately 2,400 feet south of STH 20 (Washington Avenue)) to a new intersection with STH 11 (Durand Avenue) (defined as Segment 2, below). Upon completion of the Project, International Drive and Braun Road will be transferred back to the VILLAGE.

**2. Statutory Authority of State Highway Jurisdictional Transfers**

All determinations and decisions herein and hereafter described are made in accordance with Section 84.02(8), Wisconsin Statutes, whereby the DEPARTMENT may make additions or deletions to the State Trunk Highway System by entering into a jurisdictional transfer agreement with any local unit of government, and which agreement may contain any terms and conditions that the DEPARTMENT and the local unit of government may deem necessary regarding maintenance or rehabilitation of any highway transferred.

**3. Determination and Description of Local Highway Segment to be Jurisdictionally Transferred to the Department as a State Trunk Highway**

The DEPARTMENT hereby finds, determines, and makes this decision that the public good will best be served by adding to the State Trunk Highway System the following segments of highway described as:

**Segment 1, International Drive**

Beginning at the intersection with STH 20 (Washington Avenue), continuing generally southerly to the existing southerly terminus of the highway, located approximately 2,400 feet south of STH 20 (Washington Avenue). Segment 1 is further depicted on Attachment 1.

The length of this addition to the State Trunk Highway System is **0.45 miles**.

## **Segment 2, International Drive Extension**

A proposed highway beginning at the existing southerly terminus of International Drive (located approximately 2,400 feet south of STH 20 (Washington Avenue)), continuing generally southerly and southeasterly to a new intersection on STH 11 (Durand Avenue). Segment 2 is further depicted on Attachment 1.

The VILLAGE shall confer with WisDOT to lay out Segment 2.

## **Segment 3, Braun Road**

Beginning at the I-94 East Frontage Road continuing generally easterly to the westerly boundary of the Village of Sturtevant, approximately 0.25 miles west of CTH H (Herzog Road). Segment 3 is further depicted on Attachment 1.

The length of this addition to the State Trunk Highway System is **1.75 miles**.

## **4. Physical and Effective Date of Change**

The effective date for the determination action of the addition to the State Trunk Highway System is the DEPARTMENT signature date, below.

The physical date for the addition to the State Trunk Highway System of Segment 1 and Segment 3 shall be: **December 1, 2017**.

The physical date for the addition to the State Trunk Highway System of Segment 2 shall be determined by separate writing of the DEPARTMENT approving the proposed alignment of Segment 2.

This Agreement shall be in effect until terminated. The DEPARTMENT shall provide thirty (30) days' written notice to the VILLAGE prior to terminating this Agreement. Unless otherwise required by law, such termination shall not be issued by the DEPARTMENT prior to substantial completion of the Project. Upon termination, the jurisdiction of each Segment shall transfer to the VILLAGE.

## **5. Other Considerations**

### **RIGHT-OF-WAY**

No right-of-way will be conveyed as part of this Agreement.

### **ACCESS**

No access rights will be conveyed as part of this Agreement. The VILLAGE will continue to issue access permits and maintain control over access rights, where owned.

### **UTILITIES AND OTHER NON-ACCESS PERMITS**

The VILLAGE will continue to be responsible for all utility coordination and permitting activities within highway right-of-way. Leading up to and during construction of the Project, the VILLAGE will submit all utility permit applications to the DEPARTMENT for prior approval to ensure utility facilities do not conflict with the Project design and construction activities.

**ROUTINE HIGHWAY MAINTENANCE RESPONSIBILITIES**

The VILLAGE will continue to be responsible for routine highway maintenance, including without limitation, minor roadway maintenance, ditch and clear area maintenance, winter maintenance, and snow and ice removal.

In light of continued routine highway maintenance responsibilities, the DEPARTMENT shall provide the VILLAGE lump sum payments in an amount equal to the General Transportation Aids (GTAs) for which the VILLAGE would otherwise be eligible under Section 86.30, Wisconsin Statutes. The lump sum payment for maintenance will be made on an annual basis after GTAs are determined. The VILLAGE may request in writing that said payment be credited to other amounts owing the DEPARTMENT.

**SYSTEM ROUTING AND NAMING CONVENTIONS**

Highways segments will not be redesignated or renamed as part of this Agreement.

**REHABILITATION/RECONSTRUCTION TREATMENTS**

All roadways and structures will be transferred "as-is" from the VILLAGE to the DEPARTMENT and upon termination of this Agreement, all roadways and structures will be transferred "as-is" from the DEPARTMENT to the VILLAGE.

**For the State of Wisconsin Department of Transportation**

Approved By:

\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

\_\_\_\_\_  
Date

**For the Village of Mount Pleasant**

Approved By:

  
\_\_\_\_\_  
Dave DeGroot  
Village President

11-2-2017

\_\_\_\_\_  
Date

Approved by Village Board action dated Oct. 23, 2017

**ROUTINE HIGHWAY MAINTENANCE RESPONSIBILITIES**

The VILLAGE will continue to be responsible for routine highway maintenance, including without limitation, minor roadway maintenance, ditch and clear area maintenance, winter maintenance, and snow and ice removal.

In light of continued routine highway maintenance responsibilities, the DEPARTMENT shall provide the VILLAGE lump sum payments in an amount equal to the General Transportation Aids (GTAs) for which the VILLAGE would otherwise be eligible under Section 86.30, Wisconsin Statutes. The lump sum payment for maintenance will be made on an annual basis after GTAs are determined. The VILLAGE may request in writing that said payment be credited to other amounts owing the DEPARTMENT.

**SYSTEM ROUTING AND NAMING CONVENTIONS**

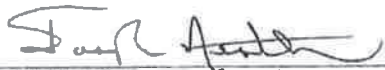
Highways segments will not be redesignated or renamed as part of this Agreement.

**REHABILITATION/RECONSTRUCTION TREATMENTS**

All roadways and structures will be transferred "as-is" from the VILLAGE to the DEPARTMENT and upon termination of this Agreement, all roadways and structures will be transferred "as-is" from the DEPARTMENT to the VILLAGE.

**For the State of Wisconsin Department of Transportation**

Approved By:

  
\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

11/2/2017  
Date

**For the Village of Mount Pleasant**

Approved By:

\_\_\_\_\_  
Dave DeGroot  
Village President

\_\_\_\_\_  
Date

*Approved by Village Board action dated Oct. 23, 2017*



STATE OF WISCONSIN  
DEPARTMENT OF TRANSPORTATION

STATE TRUNK HIGHWAY JURISDICTIONAL TRANSFER AGREEMENT

COUNTY TRUNK HIGHWAY H

RACINE COUNTY

1. Introduction

The Wisconsin Department of Transportation (DEPARTMENT) has proposed a change to a segment of the State Trunk Highway System in the Villages of Mount Pleasant and Sturtevant, Racine County, whereby portions of CTH H (Renaissance Boulevard, West Road, and Herzog Road) will be jurisdictionally transferred from Racine County (COUNTY) to the DEPARTMENT, to allow the DEPARTMENT to design and construct a highway improvement project (the Project). Upon completion of the Project, CTH H will be transferred back to the COUNTY.

2. Statutory Authority of State Highway Jurisdictional Transfers

All determinations and decisions herein and hereafter described are made in accordance with Section 84.02(8), Wisconsin Statutes, whereby the DEPARTMENT may make additions or deletions to the State Trunk Highway System by entering into a jurisdictional transfer agreement with any local unit of government, and which agreement may contain any terms and conditions that the DEPARTMENT and the local unit of government may deem necessary regarding maintenance or rehabilitation of any highway transferred.

3. Determination and Description of Local Highway Segment to be Jurisdictionally Transferred to the Department as a State Trunk Highway

The DEPARTMENT hereby finds, determines, and makes this decision that the public good will best be served by adding to the State Trunk Highway System the following segments of highway described as:

**Segment 1, CTH H**

Beginning at the intersection with STH 20 (Washington Avenue) in the Village of Mount Pleasant/Village of Sturtevant, continuing generally southerly to the centerline of CTH KR in the Village of Mount Pleasant. Segment 1 is further depicted on Attachment 1.

The length of this addition to the State Trunk Highway System is **3.6 miles**.

4. Physical and Effective Date of Change

The effective date for the determination action of the addition to the State Trunk Highway System is the DEPARTMENT signature date, below.

The physical date for the addition to the State Trunk Highway System of Segment 1 shall be: **December 1, 2017.**

This Agreement shall be in effect until terminated. The DEPARTMENT shall provide thirty (30) days' written notice to the COUNTY prior to terminating this Agreement. Unless otherwise required by law, such termination shall not be issued by the DEPARTMENT prior to substantial completion of the Project. Upon termination, the jurisdiction of Segment 1 shall transfer to the COUNTY.

## **5. Other Considerations**

### **RIGHT-OF-WAY**

No right-of-way will be conveyed as part of this Agreement.

### **ACCESS**

No access rights will be conveyed as part of this Agreement. The COUNTY will continue to issue access permits and maintain control over access rights, where owned.

### **UTILITIES AND OTHER NON-ACCESS PERMITS**

The COUNTY will continue to be responsible for all utility coordination and permitting activities within highway right-of-way. Leading up to and during construction of the Project, the COUNTY will submit all utility permit applications to the DEPARTMENT for prior approval to ensure utility facilities do not conflict with the Project design and construction activities.

### **ROUTINE HIGHWAY MAINTENANCE RESPONSIBILITIES**

The COUNTY will continue to be responsible for routine highway maintenance, including without limitation, minor roadway maintenance, ditch and clear area maintenance, winter maintenance, and snow and ice removal.

In light of continued routine highway maintenance responsibilities, the DEPARTMENT shall provide the COUNTY lump sum payments in an amount equal to the General Transportation Aids (GTAs) for which the COUNTY would otherwise be eligible under Section 86.30, Wisconsin Statutes. The lump sum payment for maintenance will be made on an annual basis after GTAs are determined. The COUNTY may request in writing that said payment be credited to other amounts owing the DEPARTMENT.

### **SYSTEM ROUTING AND NAMING CONVENTIONS**

Highways segments will not be redesignated or renamed as part of this Agreement.

### **REHABILITATION/RECONSTRUCTION TREATMENTS**

All roadways and structures will be transferred "as-is" from the COUNTY to the DEPARTMENT and upon termination of this Agreement, all roadways and structures will be transferred "as-is" from the DEPARTMENT to the COUNTY.

*Signatures appear on the following page. The remainder of this page has intentionally been left blank.*

**For the State of Wisconsin Department of Transportation**


Approved By:

\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

\_\_\_\_\_  
Date

**For Racine County**

Approved By:

  
\_\_\_\_\_  
Jonathan Delagrave  
County Executive

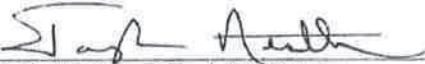
11-01-17

\_\_\_\_\_  
Date

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

**For the State of Wisconsin Department of Transportation**

Approved By:

  
\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

11/2/2017  
\_\_\_\_\_  
Date

**For Racine County**

Approved By:

\_\_\_\_\_  
Jonathan Delagrave  
County Executive

\_\_\_\_\_  
Date

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

STATE OF WISCONSIN  
DEPARTMENT OF TRANSPORTATION

STATE TRUNK HIGHWAY JURISDICTIONAL TRANSFER AGREEMENT

COUNTY TRUNK HIGHWAY KR

KENOSHA AND RACINE COUNTIES

1. Introduction

The Wisconsin Department of Transportation (DEPARTMENT) has proposed a change to a segment of the State Trunk Highway System whereby a segment of County Trunk Highway (CTH) KR (1st Street) will be jurisdictionally transferred from Kenosha and Racine Counties (COUNTIES) to the DEPARTMENT, to allow the DEPARTMENT to design and construct a highway improvement project (the Project) on the Segment identified below. Upon completion of the Project, CTH KR will be transferred back to the COUNTIES.

2. Statutory Authority of State Highway Jurisdictional Transfers

All determinations and decisions herein and hereafter described are made in accordance with Section 84.02(8), Wisconsin Statutes, whereby the DEPARTMENT may make additions or deletions to the State Trunk Highway System by entering into a jurisdictional transfer agreement with any local unit of government, and which agreement may contain any terms and conditions that the DEPARTMENT and the local unit of government may deem necessary regarding maintenance or rehabilitation of any highway transferred.

3. Determination and Description of Local Highway Segment to be Jurisdictionally Transferred to the Department as a State Trunk Highway

The DEPARTMENT hereby finds, determines, and makes this decision that the public good will best be served by adding to the State Trunk Highway System the following segment of highway described as:

**Segment 1, CTH KR**

Beginning at a point 2,000 feet west of the West I-94 Frontage Road in the Town of Yorkville/Town of Paris, continuing generally easterly to the east turning radius with 90th Street in the Village of Mount Pleasant/Village of Somers. Segment 1 is further depicted on Attachment 1.

The length of this addition to the State Trunk Highway System is **3.6 miles**.

4. Physical and Effective Date of Change

The effective date for the determination action of the addition to the State Trunk Highway System is the DEPARTMENT signature date, below.



The physical date for the addition to the State Trunk Highway System of Segment 1 shall be: **December 1, 2017.**

This Agreement shall be in effect until terminated. The DEPARTMENT shall provide thirty (30) days' written notice to the COUNTIES prior to terminating this Agreement. Unless otherwise required by law, such termination shall not be issued by the DEPARTMENT prior to substantial completion of the Project. Upon termination, the jurisdiction of Segment 1 shall revert to the jurisdiction of COUNTIES as jurisdiction existed prior to this Agreement, or as the COUNTIES may otherwise designate by separate agreement.

**5. Other Considerations**

**RIGHT-OF-WAY**

No right-of-way will be conveyed as part of this agreement.

**ACCESS**

No access rights will be conveyed as part of this Agreement. The COUNTIES will continue to issue access permits and maintain control over access rights, where owned.

**UTILITIES AND OTHER NON-ACCESS PERMITS**

The COUNTIES will continue to be responsible for all utility coordination and permitting activities within highway right-of-way. Leading up to and during construction of the Project, the COUNTIES will submit all utility permit applications to the DEPARTMENT for prior approval to ensure utility facilities do not conflict with the Project design and construction activities.

**ROUTINE HIGHWAY MAINTENANCE RESPONSIBILITIES**

The COUNTIES will continue to be responsible for routine highway maintenance, including without limitation, minor roadway maintenance, ditch and clear area maintenance, winter maintenance, and snow and ice removal.

In light of continued routine highway maintenance responsibilities, the DEPARTMENT shall provide the COUNTIES lump sum payments in an amount equal to the General Transportation Aids (GTAs) for which the COUNTIES would otherwise be eligible under Section 86.30, Wisconsin Statutes. The lump sum payment for maintenance will be made on an annual basis after GTAs are determined. The COUNTIES or each individually may request in writing that said payment be credited to other amounts owing the DEPARTMENT.

**SYSTEM ROUTING AND NAMING CONVENTIONS**

Highways segments will not be redesignated or renamed as part of this Agreement.

**REHABILITATION/RECONSTRUCTION TREATMENTS**

All roadways and structures will be transferred "as-is" from the COUNTIES to the DEPARTMENT and upon termination of this Agreement, all roadways and structures will be transferred "as-is" from the DEPARTMENT to the COUNTIES.

*Signatures appear on the following page. The remainder of this page has intentionally been left blank.*

**For the State of Wisconsin Department of Transportation**

Approved By:

\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation  
Date \_\_\_\_\_

**For Racine County**

Approved By:

  
Jonathan Delagrave  
County Executive  
Date 11-01-17

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

**For Kenosha County**

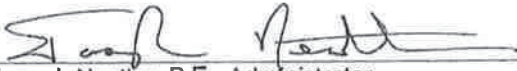
Approved By:

\_\_\_\_\_  
Jim Kreuser  
County Executive  
Date \_\_\_\_\_

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

**For the State of Wisconsin Department of Transportation**

Approved By:

  
\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

11/2/2017  
\_\_\_\_\_  
Date

**For Racine County**

Approved By:

\_\_\_\_\_  
Jonathan Delagrave  
County Executive

\_\_\_\_\_  
Date

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

**For Kenosha County**

Approved By:

\_\_\_\_\_  
Jim Kreuser  
County Executive

\_\_\_\_\_  
Date

Approved by County Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

**STATE OF WISCONSIN  
DEPARTMENT OF TRANSPORTATION**

**STATE TRUNK HIGHWAY JURISDICTIONAL TRANSFER AGREEMENT**

**BRAUN ROAD**

**VILLAGES OF MOUNT PLEASANT AND STURTEVANT, RACINE COUNTY**

**1. Introduction**

The Wisconsin Department of Transportation (DEPARTMENT) has proposed a change to a segment of the State Trunk Highway System in the Villages of Mount Pleasant and Sturtevant, Racine County, whereby a segment of Braun Road will be jurisdictionally transferred from the Village of Mount Pleasant and the Village of Sturtevant (collectively, VILLAGES) to the DEPARTMENT, to allow the DEPARTMENT to design and construct a highway improvement project (the Project) on the Segment identified below. Upon completion of the Project, Braun Road will be transferred back to the VILLAGES.

**2. Statutory Authority of State Highway Jurisdictional Transfers**

All determinations and decisions herein and hereafter described are made in accordance with Section 84.02(8), Wisconsin Statutes, whereby the DEPARTMENT may make additions or deletions to the State Trunk Highway System by entering into a jurisdictional transfer agreement with any local unit of government, and which agreement may contain any terms and conditions that the DEPARTMENT and the local unit of government may deem necessary regarding maintenance or rehabilitation of any highway transferred.

**3. Determination and Description of Local Highway Segment to be Jurisdictionally Transferred to the Department as a State Trunk Highway**

The DEPARTMENT hereby finds, determines, and makes this decision that the public good will best be served by adding to the State Trunk Highway System the following segment of highway described as:

**Segment 1, Braun Road**

Beginning at the westerly boundary of the Village of Sturtevant, located approximately 0.25 miles west of CTH H (Herzog Road), continuing generally easterly to the west turning radius of 90th Street in the Village of Mount Pleasant/Village of Sturtevant. Segment 1 is further depicted on Attachment 1.

The length of this addition to the State Trunk Highway System is **1.25 miles**.

**4. Physical and Effective Date of Change**

The effective date for the determination action of the addition to the State Trunk Highway System is the DEPARTMENT signature date, below.

The physical date for the addition to the State Trunk Highway System of Segment 1 shall be: **December 1, 2017.**

This Agreement shall be in effect until terminated. The DEPARTMENT shall provide thirty (30) days' written notice to the VILLAGES prior to terminating this Agreement. Unless otherwise required by law, such termination shall not be issued by the DEPARTMENT prior to substantial completion of the Project. Upon termination, the jurisdiction of Segment 1 shall revert to the jurisdiction of the VILLAGES as it existed prior to this Agreement, or as the VILLAGES may otherwise designate by separate agreement.

**5. Other Considerations**

**RIGHT-OF-WAY**

No right-of-way will be conveyed as part of this agreement.

**ACCESS**

No access rights will be conveyed as part of this Agreement. The VILLAGES will continue to issue access permits and maintain control over access rights, where owned.

**UTILITIES AND OTHER NON-ACCESS PERMITS**

The VILLAGES will continue to be responsible for all utility coordination and permitting activities within highway right-of-way. Leading up to and during construction of the Project, the VILLAGES will submit all utility permit applications to the DEPARTMENT for prior approval to ensure utility facilities do not conflict with the Project design and construction activities.

**ROUTINE HIGHWAY MAINTENANCE RESPONSIBILITIES**

The VILLAGES will continue to be responsible for routine highway maintenance, including without limitation, minor roadway maintenance, ditch and clear area maintenance, winter maintenance, and snow and ice removal.

In light of continued routine highway maintenance responsibilities, the DEPARTMENT shall provide the VILLAGES lump sum payments in an amount equal to the General Transportation Aids (GTAs) for which the VILLAGES would otherwise be eligible under Section 86.30, Wisconsin Statutes. The lump sum payment for maintenance will be made on an annual basis after GTAs are determined. The VILLAGES or each individually may request in writing that said payment be credited to other amounts owing the DEPARTMENT.

**SYSTEM ROUTING AND NAMING CONVENTIONS**

Highways segments will not be redesignated or renamed as part of this Agreement.

**REHABILITATION/RECONSTRUCTION TREATMENTS**

All roadways and structures will be transferred "as-is" from the VILLAGES to the DEPARTMENT and upon termination of this Agreement, all roadways and structures will be transferred "as-is" from the DEPARTMENT to the VILLAGES.

*Signatures appear on the following page. The remainder of this page has intentionally been left blank.*



**For the State of Wisconsin Department of Transportation**

Approved By:

\_\_\_\_\_  
Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

\_\_\_\_\_  
Date

**For the Village of Mount Pleasant**

Approved By:

  
\_\_\_\_\_  
Dave DeGroot  
Village President

11-2-2017

\_\_\_\_\_  
Date

*Approved by Village Board action dated* Oct. 23, 2017

**For the Village of Sturtevant**

Approved By:

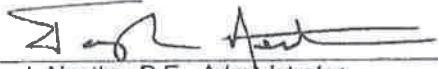
\_\_\_\_\_  
Jayme Hoffman  
Village President

\_\_\_\_\_  
Date

*Approved by Village Board action dated* \_\_\_\_\_

**For the State of Wisconsin Department of Transportation**

Approved By:



Joseph Nestler, P.E., Administrator  
Division of Transportation System Development  
Wisconsin Department of Transportation

11/2/2017

Date

**For the Village of Mount Pleasant**

Approved By:

\_\_\_\_\_  
Dave DeGroot  
Village President

\_\_\_\_\_  
Date

*Approved by Village Board action dated* Oct. 23, 2017

**For the Village of Sturtevant**

Approved By:

\_\_\_\_\_  
Jayme Hoffman  
Village President

\_\_\_\_\_  
Date

*Approved by Village Board action dated* \_\_\_\_\_

**EXHIBIT F**  
**Rezoning Ordinance No. 20-2017**

See attached

See Mount Pleasant Code Section 90-651, pertaining to Business Park Zoning



**Ordinance No. 20-2017**

**AN ORDINANCE TO AMEND CHAPTER 90 OF THE CODE OF ORDINANCES FOR THE VILLAGE OF MOUNT PLEASANT RELATING TO THE REZONING OF PROPERTY LOCATED ALONG INTERSTATE 41/94, STH 11, CTH H, AND CTH KR TO BP (BUSINESS PARK); REZONE PETITION RZ-11-17**

The Village Board of the Village of Mount Pleasant, Racine County, Wisconsin, ordains as follows:

1. That Chapter 90 of the Code of Ordinances for the Village of Mount Pleasant, relating to zoning, and the Zoning Map be, and hereby are, amended as set forth below:
  - a. That the parcels listed in Attachment A are rezoned to "BP (Business Park)."
  - b. The Village Clerk shall cause the official Zoning Map of the Village of Mount Pleasant, as referenced in Section 90-175 of the Zoning Code, to be amended to reflect the revision to the zoning classification adopted herein.
2. That this ordinance shall take effect upon adoption and publication as provided by law.

Adopted this 13th day of November 2017.

VILLAGE OF MOUNT PLEASANT

By: 

David DeGroot  
Village President

Attest: 

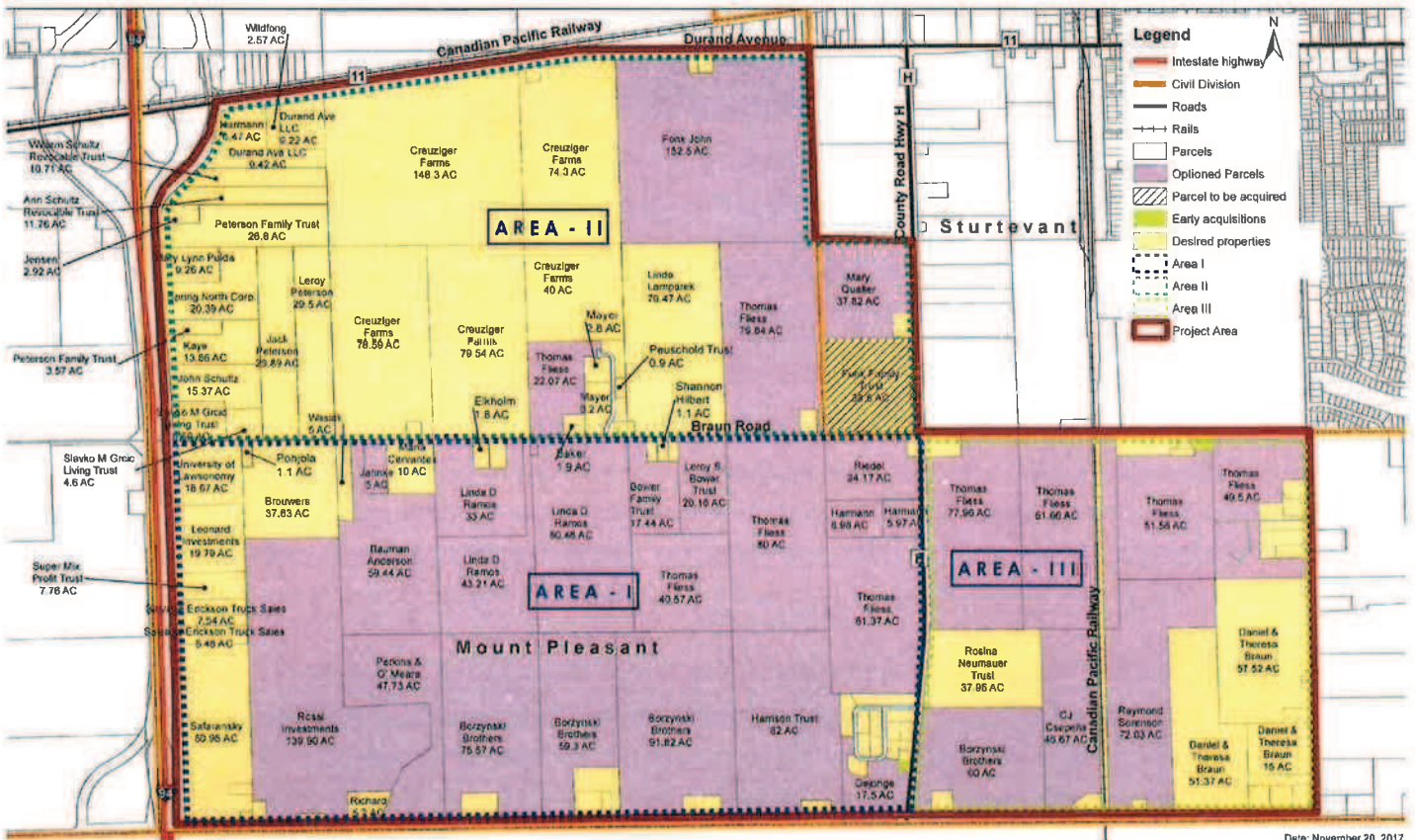
Stephanie Kohlhaugen  
Village Clerk/Treasurer

**EXHIBIT G**  
**Miscellaneous Definitions**

[Intentionally Omitted]

# EXHIBIT H Map of Parcels

## FOXCONN PROJECT PROPERTIES MAP





# VILLAGE OF MT. PLEASANT TRANSPORTATION PROJECT PLAT TITLE SHEET MP081717 BRAUN ROAD FROM I-94 FRONTAGE ROAD TO 105TH STREET

11-15-2017

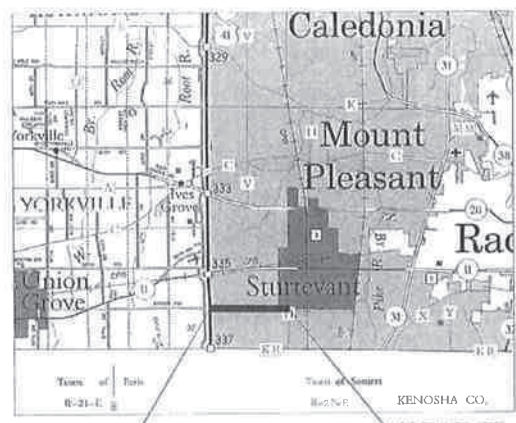


### CONVENTIONAL SYMBOLS



### CONVENTIONAL ABBREVIATIONS

Symbol	Description	Symbol	Description
[Symbol]	Right of Way Boundary	[Symbol]	Water Main
[Symbol]	Center Line	[Symbol]	Sanitary Sewer
[Symbol]	Proposed Right of Way	[Symbol]	Storm Sewer
[Symbol]	Proposed Center Line	[Symbol]	Electric
[Symbol]	Proposed Right of Way	[Symbol]	Gas
[Symbol]	Proposed Center Line	[Symbol]	Telephone
[Symbol]	Proposed Right of Way	[Symbol]	Optical Fiber
[Symbol]	Proposed Center Line	[Symbol]	Other Utility



**NOTES:**

1. THIS PLAT IS A PRELIMINARY PLAT AND IS SUBJECT TO THE REVIEW AND APPROVAL OF THE BOARD OF SUPERVISORS OF RACINE COUNTY, WISCONSIN.
2. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.
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9. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.
10. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.

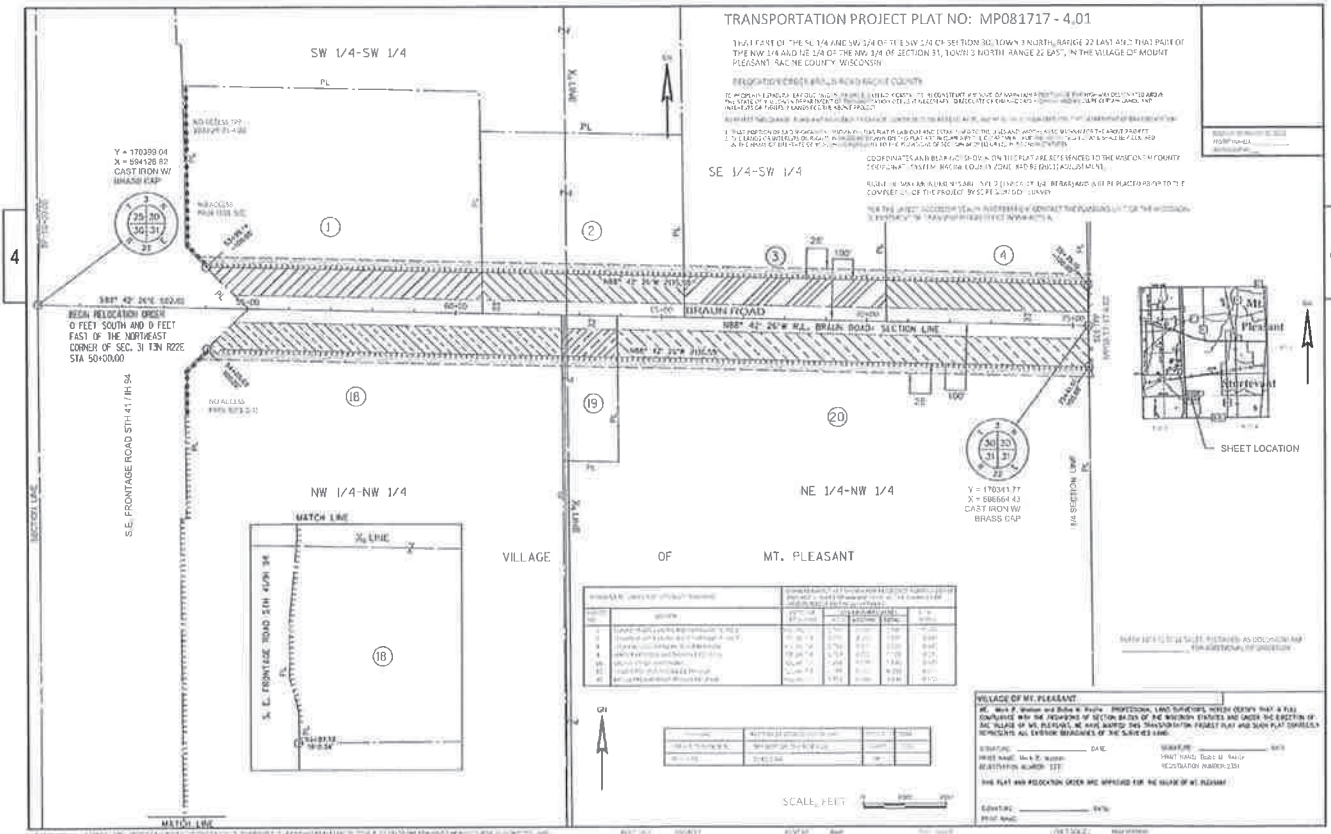
SECTION 31, TOWNSHIP 20N, RANGE 22E, S14  
0 FEET SOUTH AND 0 FEET EAST OF THE NORTHEAST CORNER OF SEC. 31, T19N, R22E, STA 50+00.00

### CONVENTIONAL UTILITY SYMBOLS



4

4



### TRANSPORTATION PROJECT PLAT NO: MP081717 - 4.01

THAT PART OF THE N. 1/4 AND S. 1/4 OF T. 20N, R. 22E, SEC. 31, TOWNSHIP 20N, RANGE 22E, EAST, IN THE VILLAGE OF MOUNT PLEASANT, RACINE COUNTY, WISCONSIN.

**PLAT INFORMATION:**

1. THIS PLAT IS A PRELIMINARY PLAT AND IS SUBJECT TO THE REVIEW AND APPROVAL OF THE BOARD OF SUPERVISORS OF RACINE COUNTY, WISCONSIN.
2. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.
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9. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.
10. THE PROJECTOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO UNRECORDED INTERESTS.

Lot	Area (sq. ft.)	Area (ac.)	Area (sq. ft.)	Area (ac.)
1	10,000	0.23	10,000	0.23
2	10,000	0.23	10,000	0.23
3	10,000	0.23	10,000	0.23
4	10,000	0.23	10,000	0.23
18	10,000	0.23	10,000	0.23
19	10,000	0.23	10,000	0.23
20	10,000	0.23	10,000	0.23

**VILLAGE OF MT. PLEASANT**

BY: [Signature] DATE: [Date]

PROJECT NAME: [Project Name]

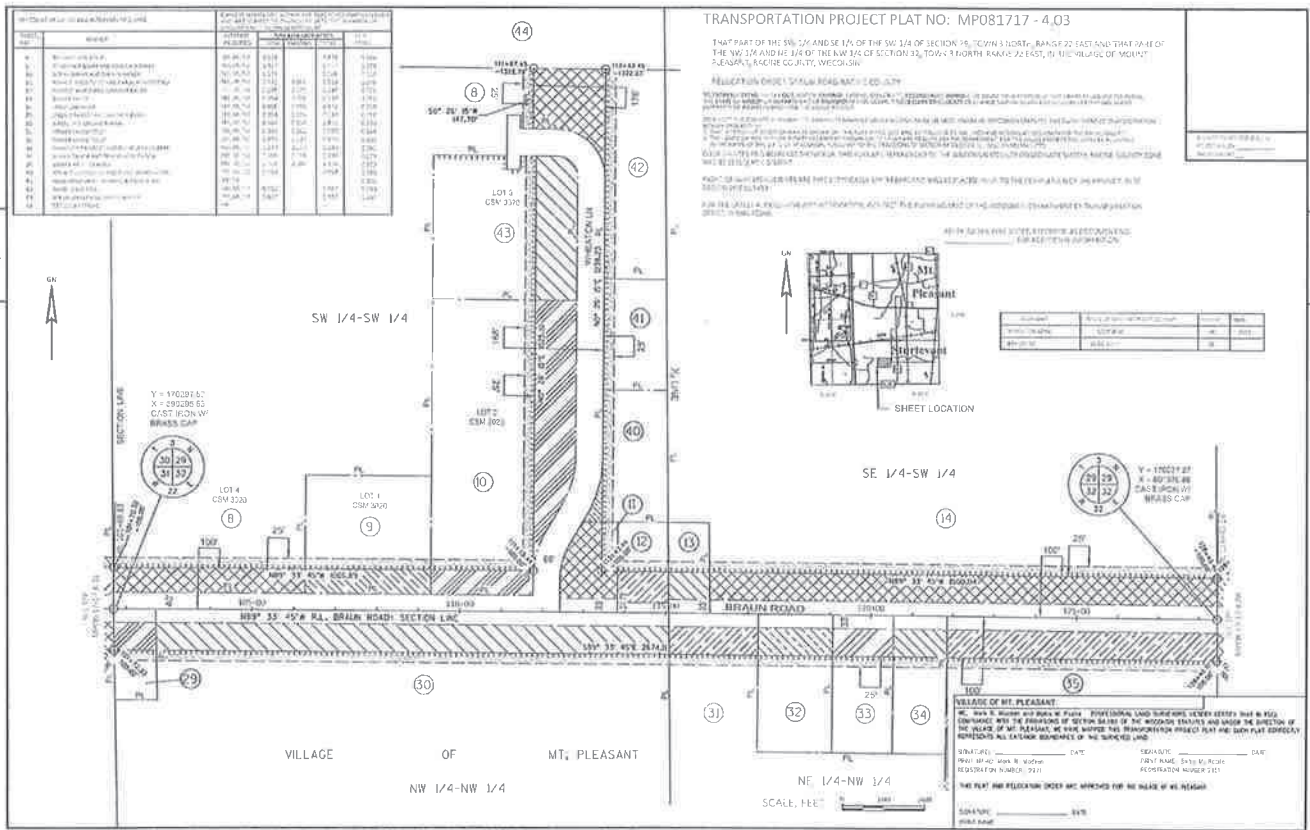
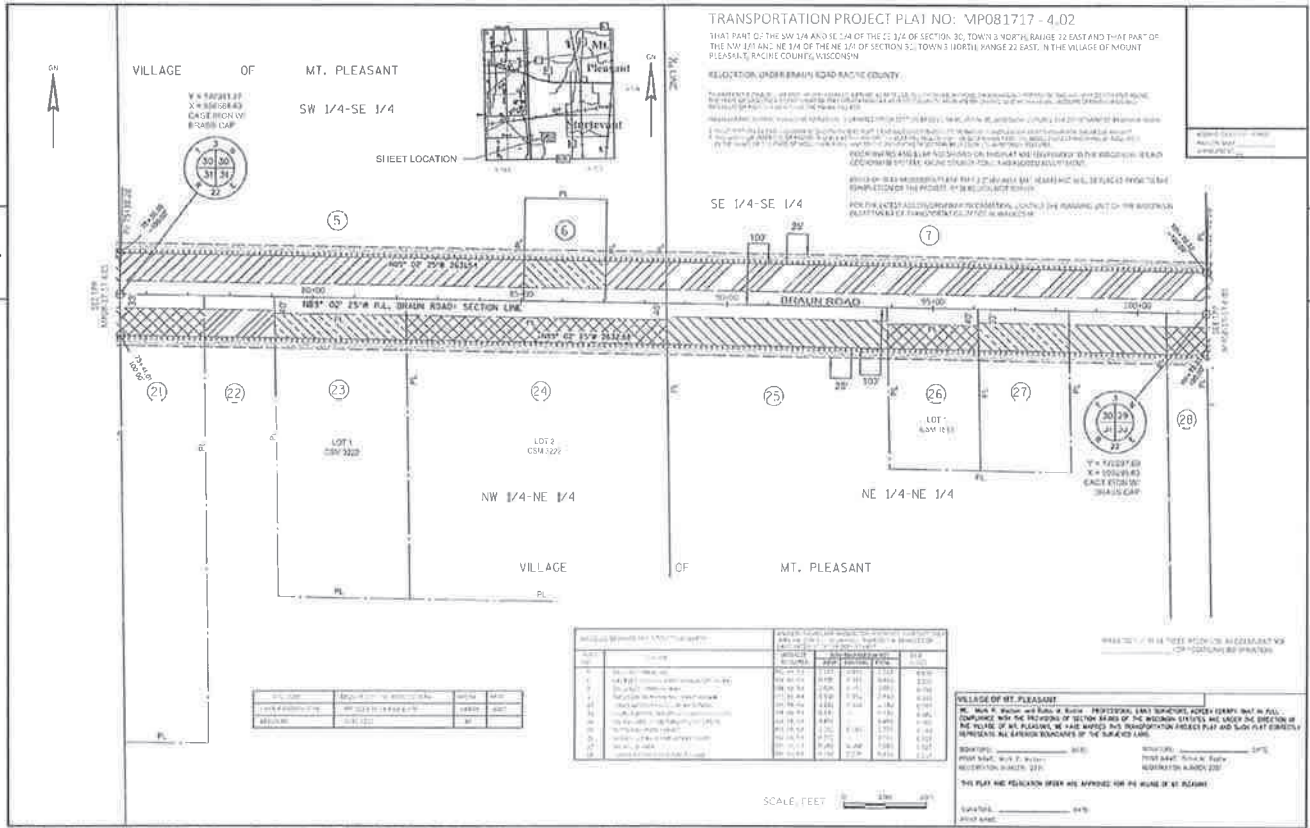
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DATE: [Date]

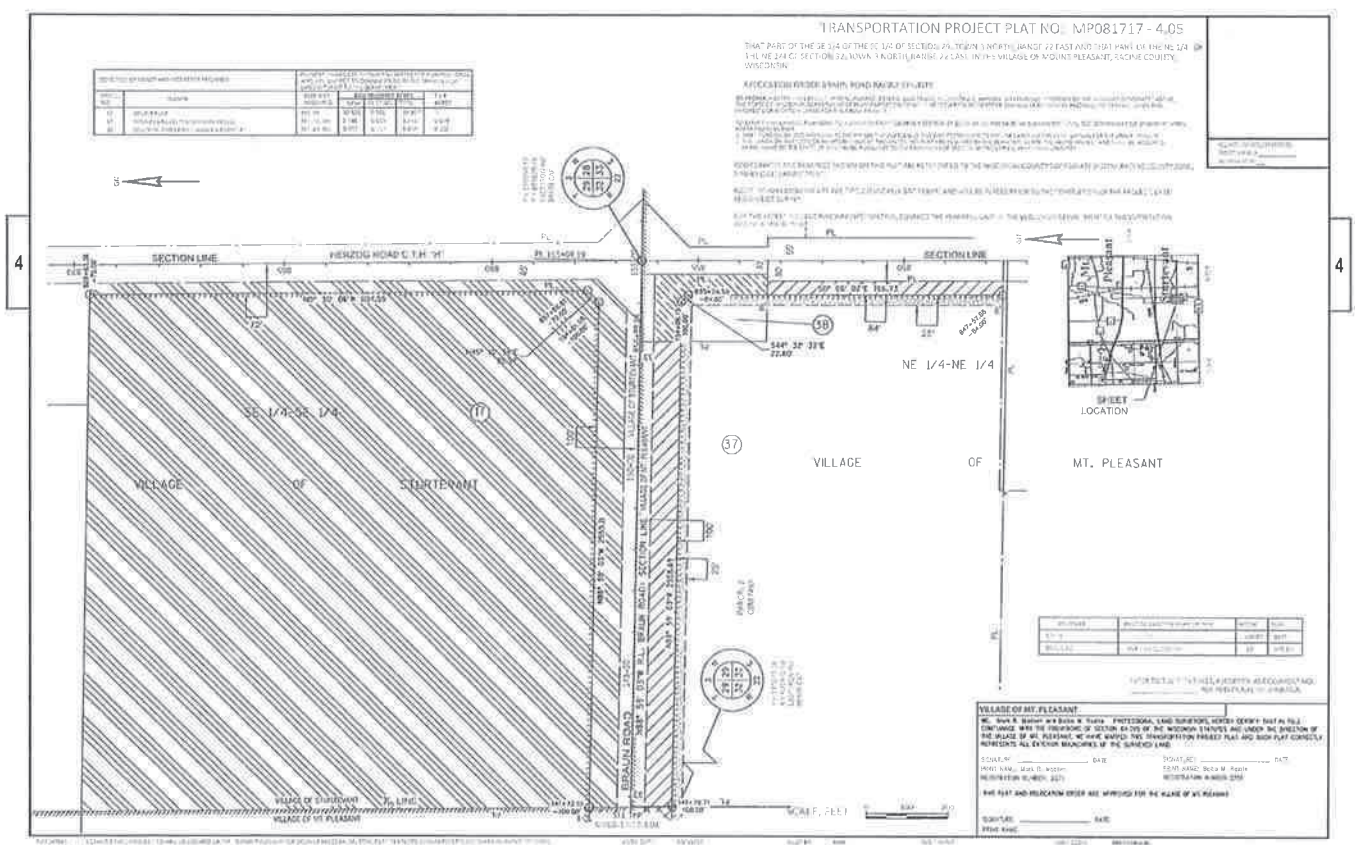
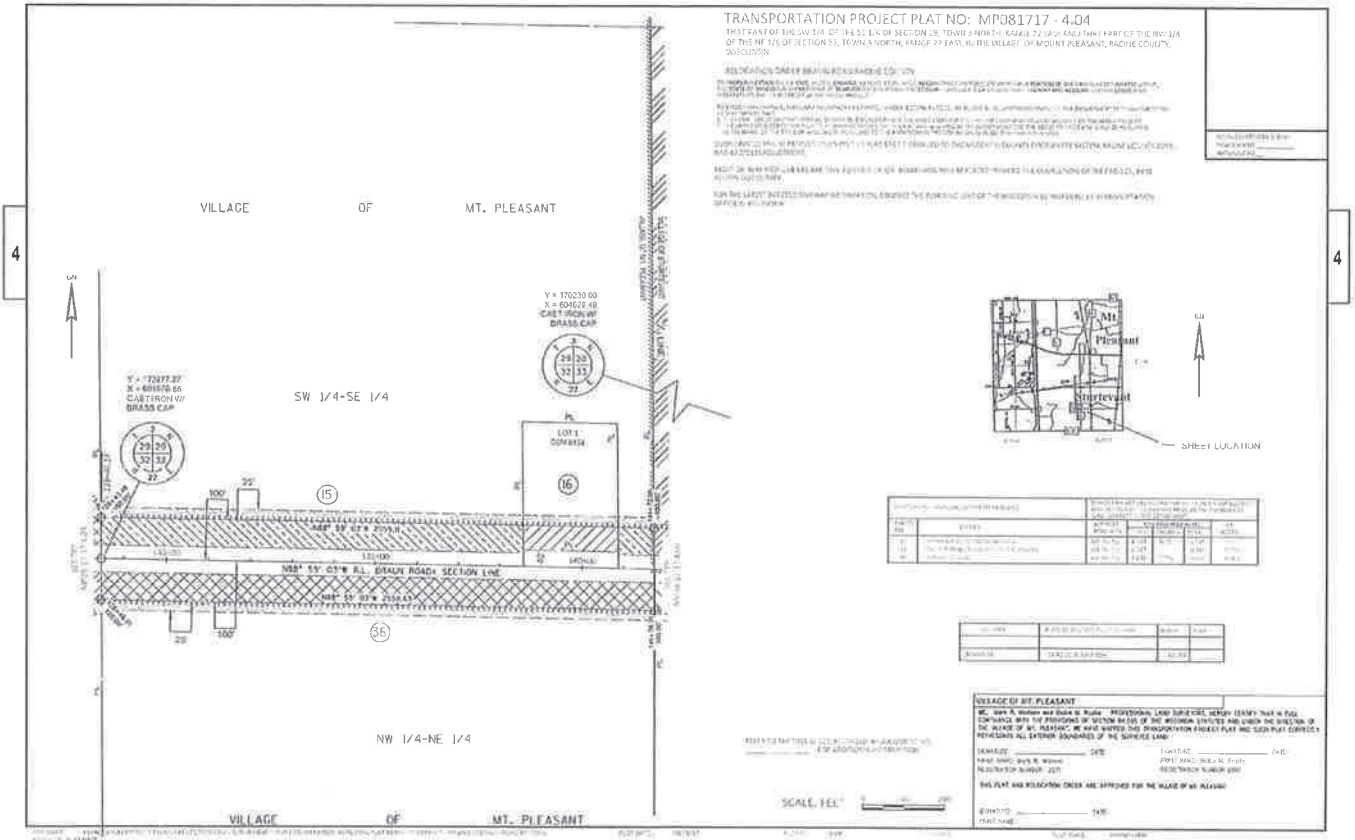
SCALE: [Scale]

4

4







VILLAGE OF  
**MOUNT PLEASANT**  
 TRANSPORTATION PROJECT PLAT TITLE SHEET  
**RC092617**  
 CTH H  
 FROM CTH KR TO BRAUN RD  
 RACINE COUNTY

11-08-2017



**CONVENTIONAL SYMBOLS**

SECTIONAL CORNER	SECTIONAL CORNER	SECTIONAL CORNER
...	...	...

**CONVENTIONAL ABBREVIATIONS**

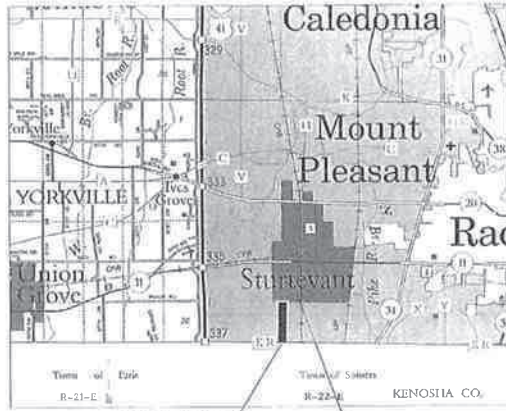
ACRES	ADJACENT	ADJACENT
...	...	...

**CURVE DATA**

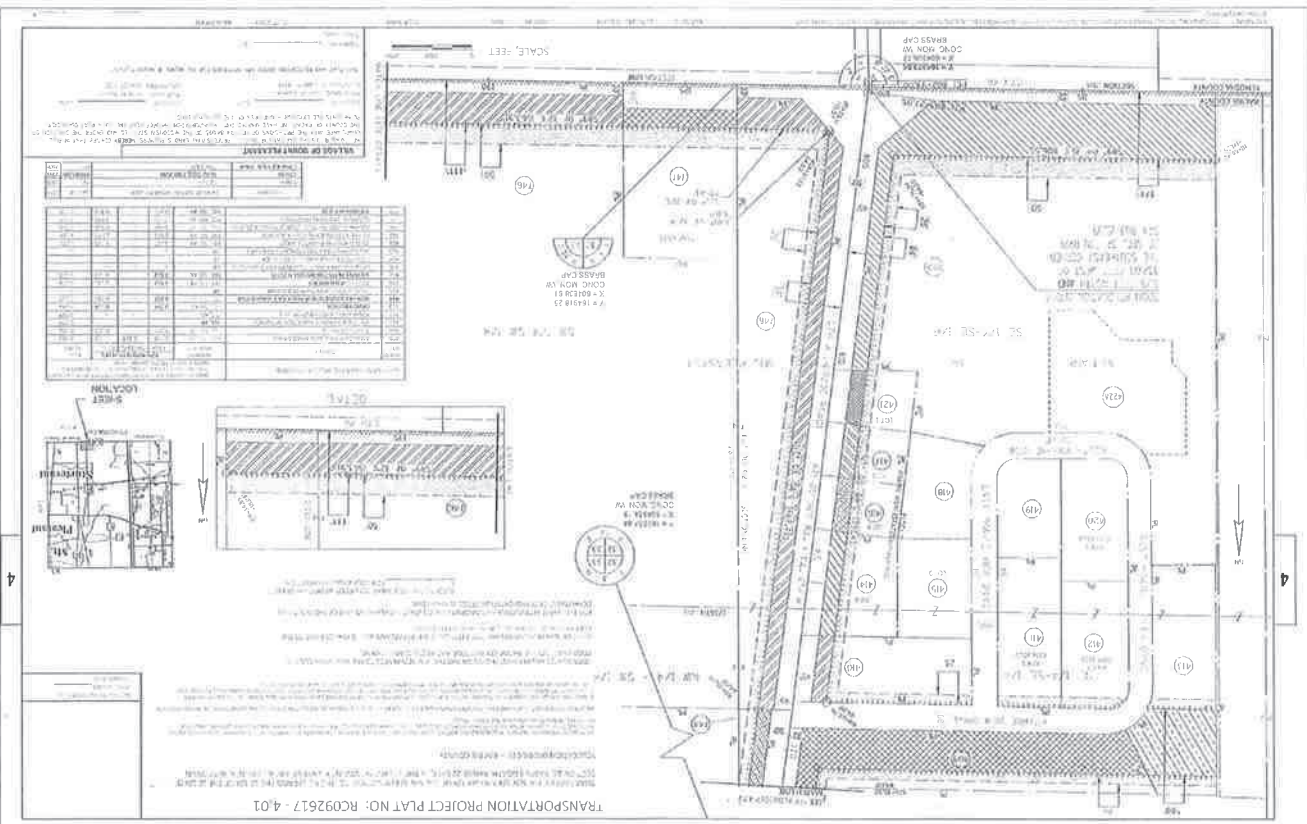
Radius	Stationing	...
...	...	...

**CONVENTIONAL SURVEY SYMBOLS**

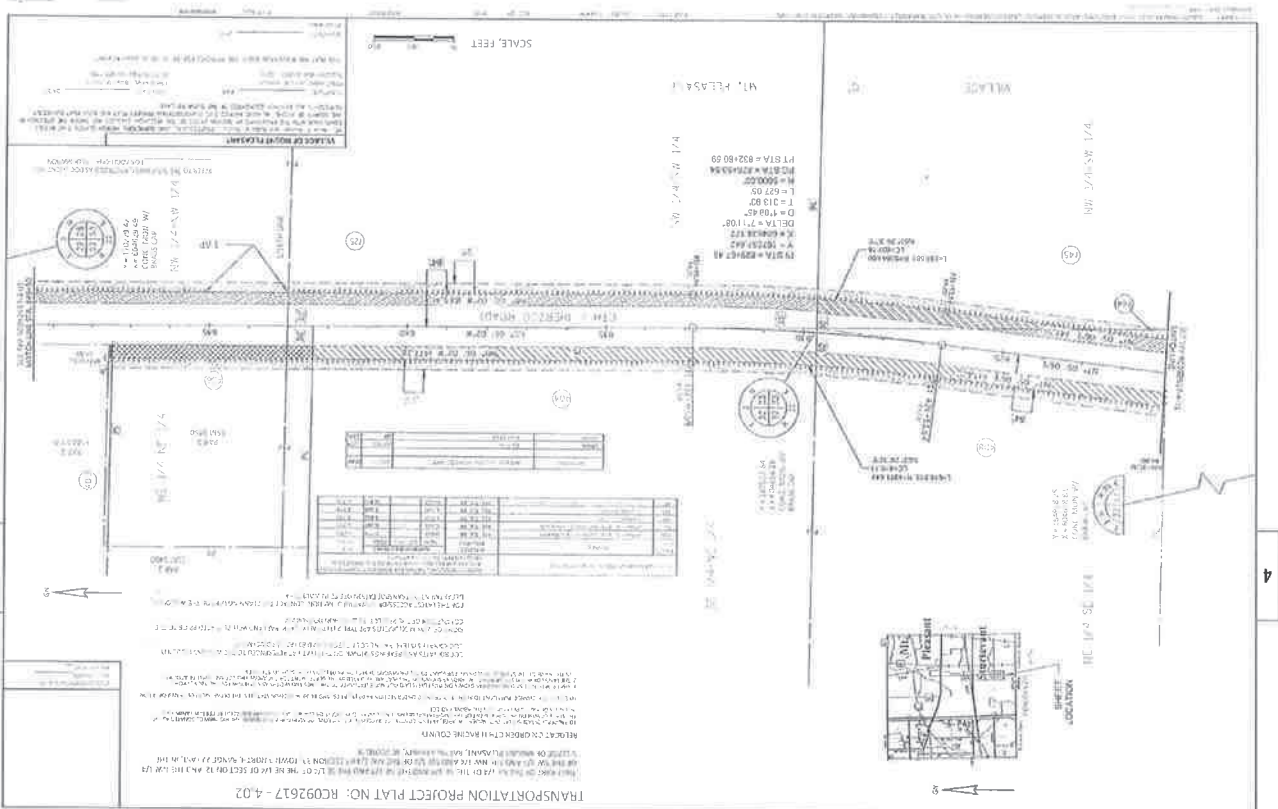
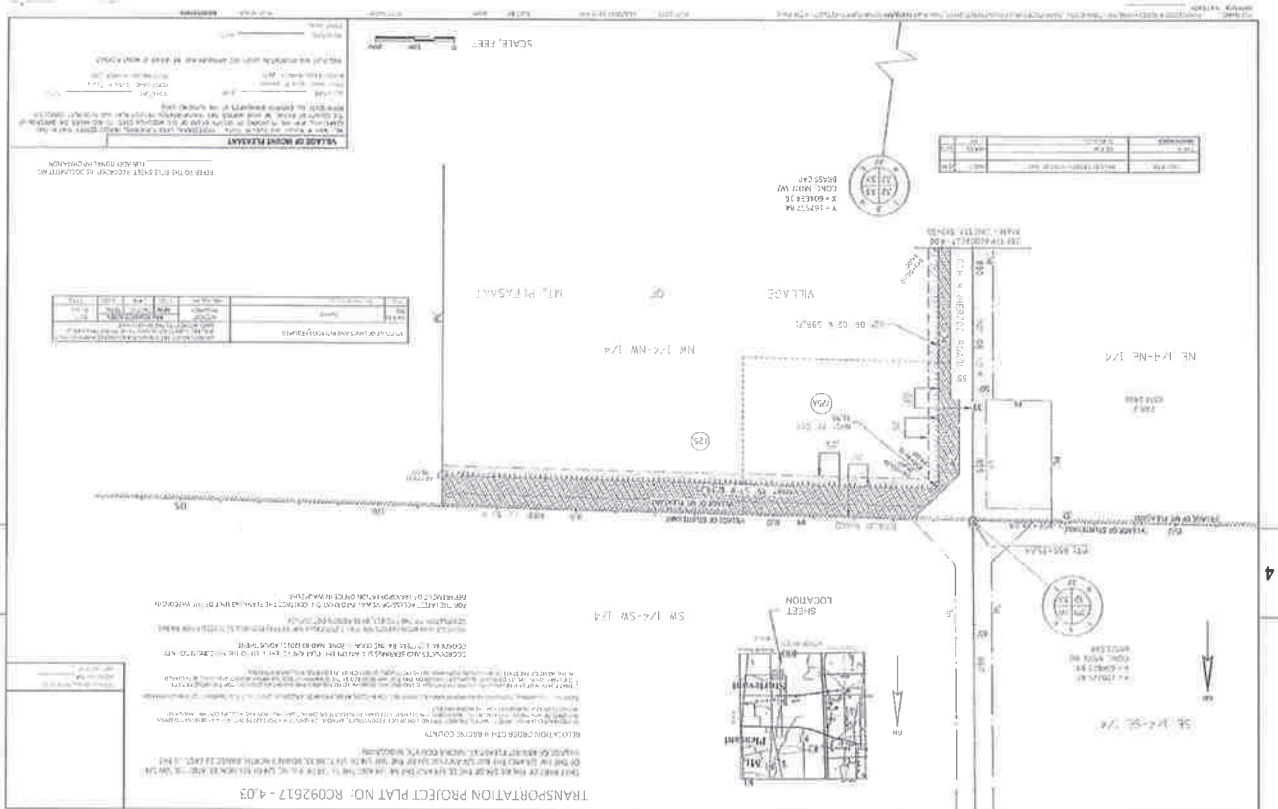
...	...
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PLAT RECORDS...  
 RECORDS...  
 RECORDS...







**EXHIBIT I**

[Intentionally Omitted]

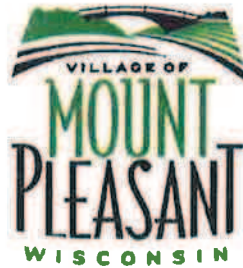


**EXHIBIT J**  
**TIF PLAN AND MAP OF THE TID**

See attached

November 20, 2017

## Project Plan for the Creation of Tax Incremental District No. 5



Organizational Joint Review Board Meeting Held:	October 18, 2017
Public Hearing Held:	October 18, 2017
Approval by Community Development Authority:	October 18, 2017
Adoption by Village Board:	November 20, 2017
Approval by the Joint Review Board:	November 29, 2017



# Tax Incremental District No. 5 Creation Project Plan

## Village of Mount Pleasant Officials

### Village Board

Dave DeGroot

Gary Feest

Jon Hansen

Sonny Havn

John Hewitt

Ken Otwaska

Village President

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Trustee

### Village Staff

Timothy Zarzecki

Claude Lois

Samuel Schultz

Stephanie Kohlhagen

Interim Village Administrator

Project Director

Community Development Director

Village Clerk – Treasurer

### Community Development Authority

Rob Richardson, Chair

Michael Langendorf, Vice-Chair

Matthew Cramer

Dave DeGroot

Gary Feest

Frank Risler

Jack Thorsen

### Joint Review Board

Dave DeGroot

Jonathan Delagrave

Bill Whyte

David Hazen

John Schneider

Village Representative

Racine County

Gateway Technical College District

Racine Unified School District

Public Member



# Table of Contents

EXECUTIVE SUMMARY.....	4
TYPE AND GENERAL DESCRIPTION OF DISTRICT.....	7
PRELIMINARY MAP OF PROPOSED DISTRICT BOUNDARY.....	8
MAP SHOWING EXISTING USES AND CONDITIONS.....	10
PRELIMINARY PARCEL LIST AND ANALYSIS.....	12
EQUALIZED VALUE TEST.....	20
STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS.....	20
MAP SHOWING PROPOSED IMPROVEMENTS AND USES.....	25
DETAILED LIST OF PROJECT COSTS.....	28
ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED.....	29
PROPOSED ZONING ORDINANCE CHANGES.....	35
PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND VILLAGE OF MOUNT PLEASANT ORDINANCES.....	35
RELOCATION.....	35
ORDERLY DEVELOPMENT OF THE VILLAGE OF MOUNT PLEASANT.....	36
LIST OF ESTIMATED NON-PROJECT COSTS.....	36
OPINION OF ATTORNEY FOR THE VILLAGE OF MOUNT PLEASANT ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES SECTION 66.1105.....	37
CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS.....	39

## SECTION 1: Executive Summary

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### Description of the District

Tax Incremental District (“TID”) No. 5 (“District”) is a proposed 3,921-acre industrial TID that will be created to pay the costs of public infrastructure, land acquisition and other expenses needed to facilitate the construction and operation of approximately 20 million sq. ft. of manufacturing space for production of liquid crystal display panels (“Project”). The developer, Foxconn (“Developer”), will construct the facility which is expected to result in up to a \$10 billion private investment over a six-year development timeframe and result in creation of up to 13,000 jobs with an estimated average salary of \$53,875. Of the total 3,921 acres to be included within the District, the Project facility is expected to occupy approximately 1,198 acres and produce a guaranteed incremental valuation of \$1,400,000,000. Further development of the approximately 2,723 acres remaining by the Developer, supply chain vendors and other businesses will create additional incremental valuation which is expected, but not quantified, within this Project Plan (“Plan”).

### Special Provisions Applicable to the District

2017 Wisconsin Act 58 (“Act”) provides the Wisconsin Economic Development Corporation with the authority to designate an Electronics and Information Technology Manufacturing Zone (“EITMZ”). The District will be located within an EITMZ. In addition to the tax increment financing powers which the Village may exercise under Wis. Stat. § 66.1105, the following special provisions of the Act apply to industrial or mixed use TIDs created within an EITMZ:

1. A maximum life of thirty years.
2. Project costs may be incurred through the un-extended termination date of the TID.
3. Project costs may be incurred for any territory located within the same county as the TID if the expenditure benefits the TID as determined by the Wisconsin Department of Administration.
4. Project costs may include the cost of constructing or expanding fire stations, purchasing police and fire equipment, and the cost of general government operating expenses related to providing police and fire protection services, subject to the following limitations:
  - a. Total costs may not exceed 15% of the positive tax increments collected over the life of the TID.
  - b. Capital expenditures may be made only for the first seven years following TID creation.
  - c. Expenditures made for constructing or expanding fire stations are limited to fire stations located within a one-mile radius of the EITMZ.
5. Project costs may include payments to a county or other municipality that issues obligations to finance TID project costs.
6. The TID may not be designated as a donor TID.
7. If the resolution creating the TID is adopted prior to December 1, the TID’s effective date for purposes of establishing base value may be either January 1 of the current year or January 1 of the subsequent year at the option of the creating municipality. **The Village will create the District with an effective base value date of January 1, 2018.**
8. For purposes of calculating compliance with the 12% limit applicable when TIDs are created or when territory is added, the incremental value of a TID within an EITMZ will not be counted.

## Estimated Total Project Cost Expenditures

The Village anticipates making total expenditures of approximately \$758 million to undertake the projects listed in this Project Plan. ("Project Costs"). Project Costs include the cost of acquiring land within the District, provision of necessary public infrastructure and public services, and other costs related to the creation, implementation and administration of the District. Project Costs will be funded through a combination of debt financing, Developer contributions and cash outlay of tax incremental revenue. The Village and Racine County will work collaboratively to obtain required debt financing as further described in this Plan. Project Costs may be incurred throughout the 30-year maximum term of the District, except that capital expenditures for constructing or expanding fire stations and purchasing police and fire equipment may only be made during the first seven years of the District's life.

## Incremental Valuation

The development agreement for the Project will require establishment and maintenance of a minimum Project incremental value of \$1.4 billion to be achieved not later than January 1, 2022. If in any subsequent year, the incremental value of the Project is less than \$1.4 billion, related guarantees will require that the Developer make annual payments to the Village to make whole any revenue that would have been collected had the minimum incremental value been maintained. An incremental valuation of \$1.4 billion is sufficient to recover all District Project Costs based on the economic feasibility study model included in the Plan. Since land within the District that may be acquired by the Village would become tax-exempt for the period between its acquisition and sale or conveyance to a private entity, the valuation forecast included within this Plan assumes a short-term loss in value. The Plan assumes that a sufficient amount of the acquired land (approximately 65 acres) would be sold or transferred prior to January 1, 2022 to negate this decremental value. Additional transfers or sale of land will increase the incremental value of the District, but are not assumed for purposes of the projections. To be conservative, the projections also do not include any potential improvements valuation on the remaining 2,723 acres that is likely to occur over time because of expansion by the Developer, and location of supply chain vendors and other businesses within the District.

## Expected Termination of District

Based on the Economic Feasibility Study included within this Plan, this District is projected to generate sufficient tax increments to recover all project costs within 25 years. This projection is based on \$1.4 billion of incremental value guaranteed by the Developer in the Project development agreement. Additional valuation resulting from Developer expansions, location of supply chain vendors within the District and economic appreciation will provide for the potential to accelerate District termination.

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. **That "but for" the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village.** In reaching this determination the Village has considered that making the areas included within the District suitable for development of the Project will require a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, installation of utilities; installation of streets; development incentive payments for purposes of land reimbursement and other costs; operating costs; professional, legal and financing costs and expenses; and other costs. Due to the extensive initial investment needed to allow the Project to occur, the Village has determined that development of the area as proposed will not occur



solely from private investment. Accordingly, the Village finds that absent the use of tax increment financing, the Project as proposed would not proceed.

**2. The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the Project Costs incurred.** In making this determination, the Village has considered the following information:

- A report prepared by Ernst and Young and provided to the Wisconsin Economic Development Corporation which projects anticipated economic benefits to be realized within the Village, Racine County, and State of Wisconsin as follows:
  - An estimated \$10 billion of capital investment to construct and equip the Project facility, including more than \$5 billion for onsite Racine County construction supporting more than 10,000 construction and related jobs in the region over the four-year construction period.
  - Employment of up to 13,000 workers once the Project is fully operational, with an average wage of \$53,875.
  - Additional effects include indirect effects of the Developer purchasing from local suppliers and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.

**3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**

- As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in Appendix A of this plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the Village finds that the benefits expected to be realized as set forth above outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is suitable for industrial sites and zoned for industrial use within the meaning of Wis. Stat. § 66.1101. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District will remain zoned for industrial use for the life of the District.
  5. Based upon the findings, as stated above, the District is declared to be an industrial District based on the identification and classification of the property included within the District.
  6. The Project Costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.
  7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
  8. The Project Plan for the District in the Village is feasible, and is in conformity with the Master Plan of the Village.

## SECTION 2: Type and General Description of District

---

The District is being created by the Village under the authority provided by Wis. Stat. § 66.1105 and will be designated as an “Industrial District” based on a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wis. Stat. § 66.1101. Prior to Village Board adoption of the resolution creating the District, all 3,921 acres within the District will be rezoned to Business Park; an industrial zoning classification within the Village’s Zoning Code.

The District is being created within an EITMZ. In addition to the tax increment financing powers which the Village may exercise under Wis. Stat. § 66.1105, the following special provisions, found in Wis. Stat. 66.1105(20), apply to industrial or mixed use TIDs created within an EITMZ:

1. A maximum life of thirty years.
2. Project costs may be incurred through the un-extended termination date of the TID.
3. Project costs may be incurred for any territory located within the same county as the TID if the expenditure benefits the TID as determined by the Wisconsin Department of Administration.
4. Project costs may include the cost of constructing or expanding fire stations, purchasing police and fire equipment, and the cost of general government operating expenses related to providing police and fire protection services, subject to the following limitations:
  - a. Total costs may not exceed 15% of the positive tax increments collected over the life of the TID.
  - b. Capital expenditures may be made only for the first seven years following TID creation.
  - c. Expenditures made for constructing or expanding fire stations are limited to fire stations located within a one-mile radius of the EITMZ.
5. Project costs may include payments to a county or other municipality that issues obligations to finance TID project costs.
6. The TID may not be designated as a donor TID.
7. If the resolution creating the TID is adopted prior to December 1, the TID’s effective date for purposes of establishing base value may be either January 1 of the current year or January 1 of the subsequent year at the option of the creating municipality. **The Village will create the District with an effective base value date of January 1, 2018.**
8. For purposes of calculating compliance with the 12% limit applicable when TIDs are created or when territory is added, the incremental value of a TID within an EITMZ will not be counted.

The Project Costs included in this Plan relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.

**SECTION 3:**  
**Preliminary Map of Proposed District Boundary**

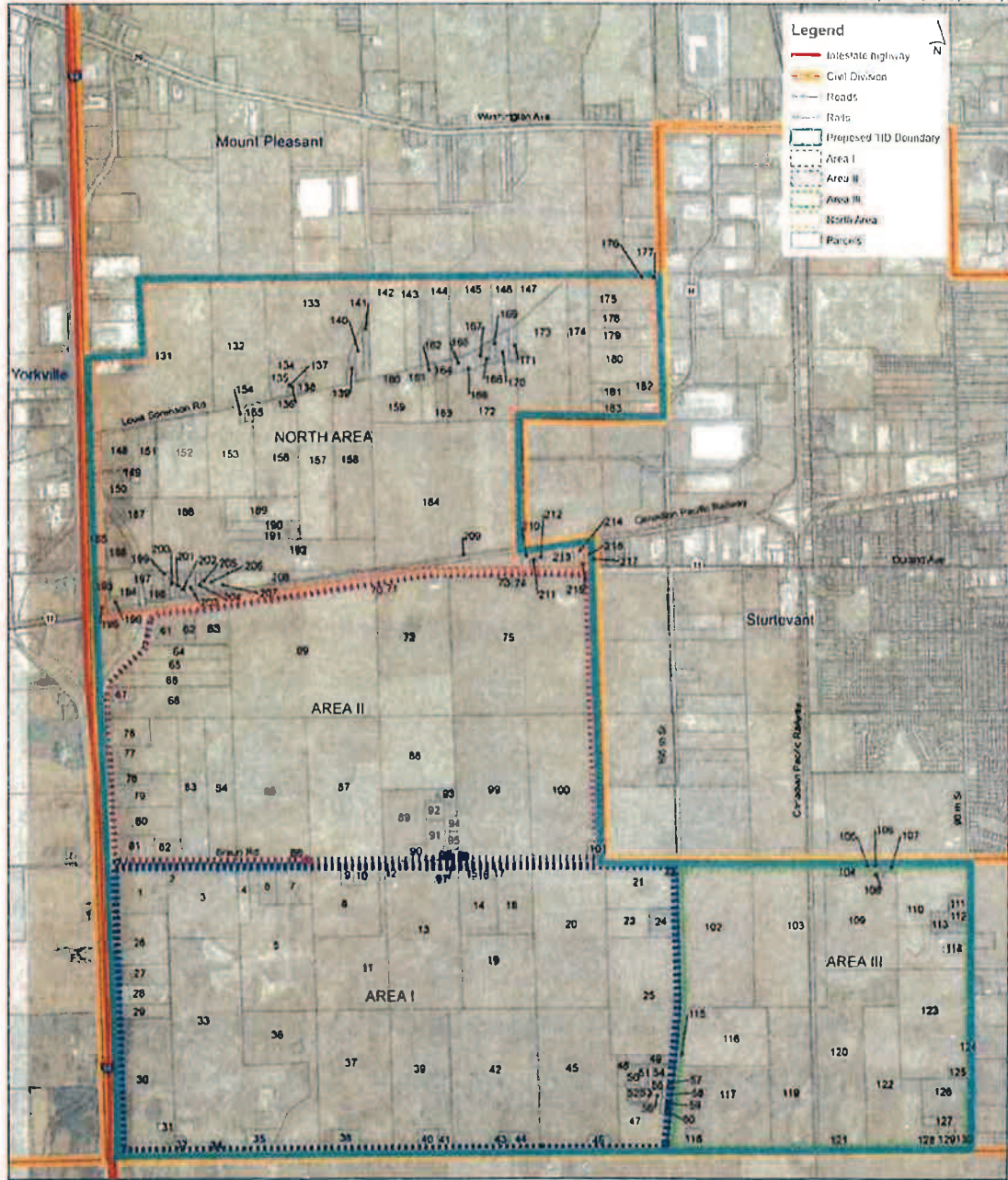
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Map Located on Following Page<sup>1</sup>

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<sup>1</sup> Any wetlands identified on a map prepared under Wis. Stat. § 23.32 are excluded from the District and not considered to be included within its boundaries.

# Village of Mount Pleasant Proposed TID Boundary Map



October 2, 2017

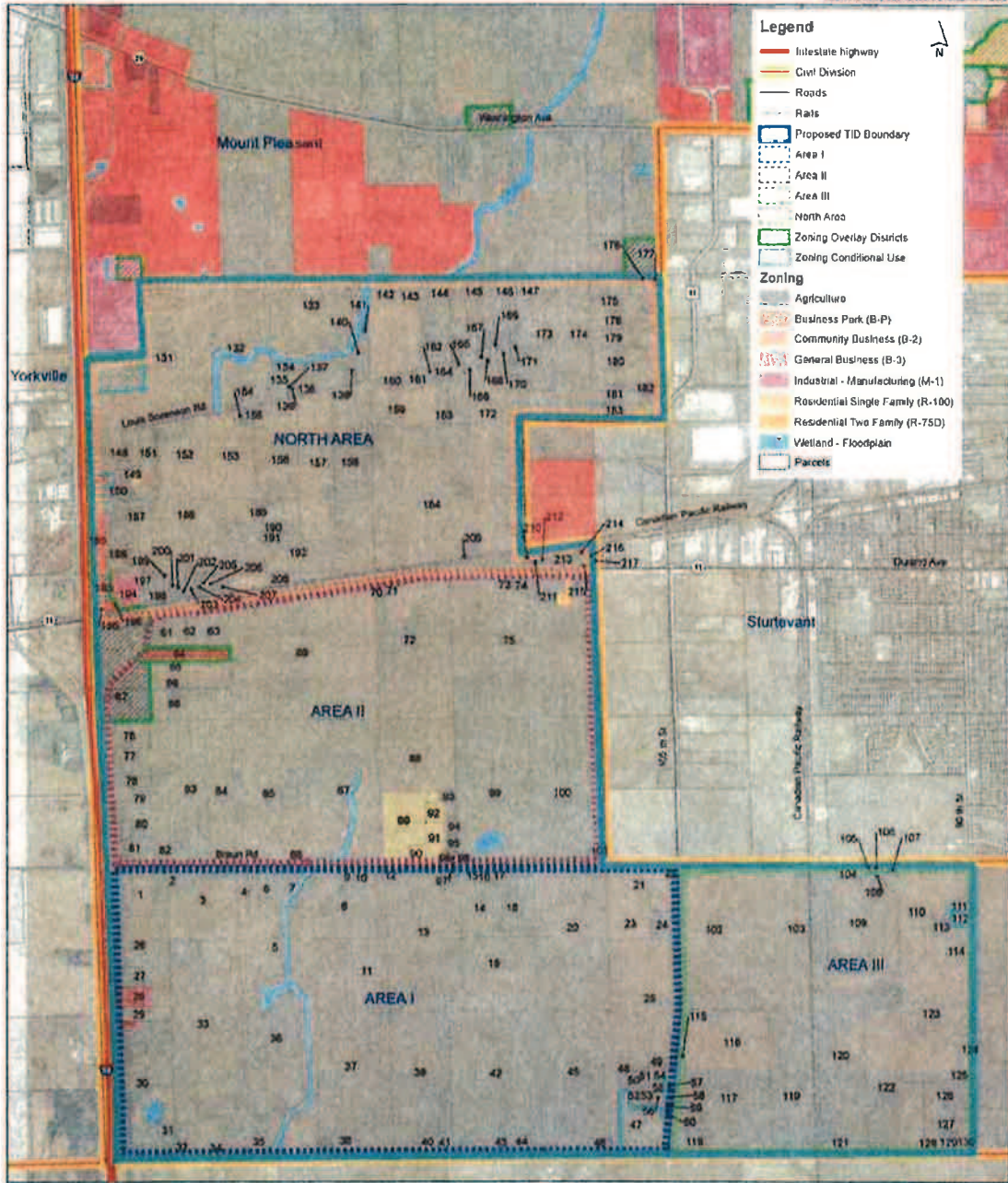
**SECTION 4:**  
**Map Showing Existing Uses and Conditions**

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Map Located on Following Page



# Village of Mount Pleasant Proposed TID Existing Uses & Conditions





**SECTION 5:**  
**Preliminary Parcel List and Analysis**

---

Preliminary Parcel List Begins on Next Page

# Village of Mount Pleasant, Wisconsin

Tax Increment District # 5

Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acres	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	Land	Imp	Total	Industrial (Zoned and Suitable)
<b>AREA1</b>												
1	151-03-22-31-006-000	4529 SE Frontage Rd	University Of Lawsonsomy	18.67	8,600	0	8,600	96.74%	8,600	0	8,600	18.67
2	151-03-22-31-005-001	13201 Braun Rd	Todd D Pohjola	1.15	57,600	222,100	279,700	96.74%	59,541	229,584	289,125	1.15
3	151-03-22-31-005-000	13027 Braun Rd	Brouwers	37.58	50,800	152,300	203,100	96.74%	52,512	157,432	209,944	37.58
4	151-03-22-31-004-000	12825 Braun Rd	Theodore M Wasiak	5.00	92,300	52,900	145,200	96.74%	55,410	54,683	150,093	5.00
5	151-03-22-31-003-000	Braun Road	Karen L Anderson, Lori Anderson, Steven J Anderson	59.44	16,900	98,700	115,600	96.74%	17,470	102,026	119,496	59.44
6	151-03-22-31-003-010	Braun Road	Laura A Jahnke, John Thomas Anderson	5.00	63,400	0	63,400	96.74%	65,536	0	65,536	5.00
7	151-03-22-31-003-020	12715 Braun Rd	Maria Cervantes	10.00	71,100	98,900	170,000	96.74%	73,496	102,233	175,729	10.00
8	151-03-22-31-001-000	12135 Braun Road	Buiss/Buiss/Ramos/Edgerly	32.37	6,900	0	6,900	96.74%	7,133	0	7,133	32.37
9	151-03-22-31-001-010	12235 Braun Rd	Jay R Eckholm	1.83	63,700	295,400	359,100	96.74%	65,847	305,355	371,201	1.83
10	151-03-22-31-001-002	12305 Braun Road	Sherri L Shaver	2.00	65,300	125,200	190,500	96.74%	67,501	129,419	196,920	2.00
11	151-03-22-31-002-000	12135 Braun Road	Buiss/Buiss/Ramos/Edgerly	43.00	13,400	200	13,600	96.74%	13,852	207	14,058	43.00
12	151-03-22-32-010-000	12135 Braun Road	Buiss/Buiss/Ramos/Edgerly	0.50	28,100	97,500	125,600	96.74%	29,147	100,786	129,833	0.50
13	151-03-22-32-009-000	12121 Braun Road	Buiss/Buiss/Ramos/Edgerly	79.50	59,900	79,900	139,800	96.74%	61,519	82,593	144,511	79.50
14	151-03-22-32-008-002	Braun Road	Bower Family Trust	16.92	3,700	0	3,700	96.74%	3,825	0	3,825	16.92
15	151-03-22-32-007-000	11635 Braun Rd	Bower Family Trust	1.08	57,000	83,200	140,200	96.74%	58,521	86,004	144,925	1.08
16	151-03-22-32-008-000	11621 Braun Rd	Nicholas A Hilbert	1.15	57,600	80,700	138,300	96.74%	59,541	83,419	142,961	1.15
17	151-03-22-32-006-000	1106 Braun Rd	Juan F Garcia	1.00	56,300	139,600	195,900	96.74%	58,197	144,304	202,502	1.00
18	151-03-22-32-008-001	Braun Road	LeRoy S Bower Trust	20.00	4,400	0	4,400	96.74%	4,548	0	4,548	20.00
19	151-03-22-32-004-000	Braun Road	Thomas W. Fliess	39.71	8,500	0	8,500	96.74%	8,786	0	8,786	39.71
20	151-03-22-32-004-001	11111 Braun Road	Thomas W. Fliess	80.29	51,400	53,200	104,600	96.74%	53,152	54,993	108,125	80.29
21	151-03-22-32-001-020	4222 Highway H	Thomas & Barabara Riedel	24.07	5,300	0	5,300	96.74%	5,479	0	5,479	24.07
22	151-03-22-32-003-000	4204 County Hwy H	Jospeh M Janicek	1.06	56,800	97,700	154,500	96.74%	58,714	100,992	159,706	1.06
23	151-03-22-32-001-010	4222 S Highway H	Kurt R Kluender, Carrie A Harman, Nancy B Harman	9.10	2,000	0	2,000	96.74%	2,067	0	2,067	9.10
24	151-03-22-32-001-030	County Highway H	Kurt R Kluender, Carrie A Harman, Nancy B Harman	5.97	101,000	83,500	189,500	96.74%	104,504	91,482	195,886	5.97
25	151-03-22-32-002-000	4217 County Highway H	Thomas W. Fliess	63.00	13,500	0	13,500	96.74%	13,955	0	13,955	63.00
26	151-03-22-31-006-010	4529 Hwy 41	Leonard Investments Lc	19.79	293,200	0	293,200	96.74%	303,080	0	303,080	19.79
27	151-03-22-31-009-000	Hwy 41	Super Mix	7.77	2,000	0	2,000	96.74%	2,067	0	2,067	7.77
28	151-03-22-31-007-000	4707 Hwy 41	Salvage Erickson Truck Sales	7.89	237,200	174,400	411,600	96.74%	245,193	180,277	425,470	7.89
29	151-03-22-31-008-000	Hwy 41	Salvage Erickson Truck Sales	5.42	182,700	0	182,700	96.74%	188,857	0	188,857	5.42
30	151-03-22-31-010-000	County Line Rd	Paul R Saffransky	45.93	45,400	0	45,400	96.74%	46,930	0	46,930	45.93
31	151-03-22-31-010-001	13430 County Line Rd	George Saffransky	1.00	56,300	175,600	231,900	96.74%	58,197	181,517	239,715	1.00
32	151-03-22-31-013-000	13320 County Line Rd	Todd M Blodgett	1.23	58,300	92,700	151,000	96.74%	60,265	95,824	156,088	1.23
33	151-03-22-31-011-000	County Highway KR	Rossi Investments, LLC	142.31	31,000	0	31,000	96.74%	32,045	0	32,045	142.31
34	151-03-22-31-012-000	13104 County Line Rd	Donald John Marlock	1.76	63,100	81,300	144,400	96.74%	65,226	84,040	149,266	1.76
35	151-03-22-31-011-020	12910 County Line Rd	Richard Richards	5.77	99,200	77,500	176,700	96.74%	102,543	80,112	182,655	5.77

# Village of Mount Pleasant, Wisconsin

Tax Increment District # 5

Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	Land	Imp	Total	Industrial (Zoned and Suitable)
36	151-03-22-32-011-000	12645 County Line Road	Wendell L Perkins & Mark T O'Meara	46.83	77,400	209,600	287,000	96.74%	80,008	216,663	296,671	46.83
37	151-03-22-32-011-010	County Line Road	Borzynski Brothers Properties	75.57	16,200	0	16,200	96.74%	6,746	0	16,746	75.57
38	151-03-22-32-014-020	12406 County Line Rd	Todd A Kremis	5.38	106,300	93,300	199,600	96.74%	109,882	96,444	206,326	5.38
39	151-03-22-32-011-010	County Line Road	Borzynski Brothers Properties	54.30	69,800	15,700	85,500	96.74%	77,152	16,229	88,381	54.30
40	151-03-22-32-011-030	1234 County Line Rd	Emulan Inc	4.04	83,600	15,300	98,900	96.74%	86,417	15,816	102,233	4.04
41	151-03-22-32-011-020	County Line Road	Borzynski Bros	1.34	59,300	9,300	68,600	96.74%	61,298	9,613	70,912	1.34
42	151-03-22-32-012-010	County Line Road	Borzynski Brothers Properties	91.21	19,800	0	19,800	96.74%	20,467	0	20,467	91.21
43	151-03-22-32-012-000	11604 County Line Rd	Roger A Sturycz	1.37	59,600	49,000	108,600	96.74%	61,608	50,651	112,260	1.37
44	151-03-22-32-012-002	11514 County Line Rd	Will B Winchester	3.30	77,000	82,900	159,900	96.74%	79,595	85,694	165,288	3.30
45	151-03-22-32-013-000	County Line Road	Anselm J Harrison Trust	82.02	17,800	0	17,800	96.74%	18,400	0	18,400	82.02
46	151-03-22-32-014-000	11110 County Line Rd	Barbara L Slivon	2.98	74,100	82,800	156,900	96.74%	76,597	85,590	162,187	2.98
47	151-03-22-32-016-000	10635 S Prairie View Drive	Daniel R DeJonge, Kelly A DeLonge	15.21	66,000	407,200	473,200	96.74%	68,224	420,922	489,146	15.21
48	151-03-22-32-027-000	5100 Prairie View Dr	David J Botsch	2.30	75,500	185,800	261,300	96.74%	78,044	192,061	270,105	2.30
49	151-03-22-32-020-000	County Highway H	Brock E Paul	3.06	700	0	700	96.74%	724	0	724	3.06
50	151-03-22-32-015-200	5107 W Prairie View Dr	Adam J Hall	1.16	64,100	243,000	307,100	96.74%	66,260	251,189	317,449	1.16
51	151-03-22-32-015-100	5110 E Prairie View Dr	Matthew A Palmer	1.38	66,300	228,900	295,200	96.74%	68,534	236,614	305,148	1.38
52	151-03-22-32-015-300	10640 Prairie View Dr	James S Mahorey	1.12	63,700	91,800	155,500	96.74%	65,847	94,894	160,740	1.12
53	151-03-22-32-026-000	5138 E Prairie View Dr	Howard P Luxner	0.87	54,400	150,100	204,500	96.74%	56,233	155,158	211,391	0.87
54	151-03-22-32-015-010	5103 E Prairie View Dr	Timothy S Press	1.52	67,700	264,300	332,000	96.74%	69,881	273,207	343,188	1.52
55	151-03-22-32-024-000	5115 E Prairie View Dr	David Novak	1.06	63,100	142,300	205,400	96.74%	65,226	147,095	212,322	1.06
56	151-03-22-32-019-010	5201 E Prairie View Dr	Klinkhammer Trust	1.01	62,600	248,400	311,000	96.74%	64,710	256,771	321,480	1.01
57	151-03-22-32-023-000	5132 County Hwy H	Robert I Wasniewski Jr	1.08	57,000	207,600	264,600	96.74%	58,921	214,596	273,517	1.08
58	151-03-22-32-025-000	5142 County Hwy H	Thomas N Orer dorff	0.64	36,000	116,700	152,700	96.74%	37,213	120,633	157,846	0.64
59	151-03-22-32-019-000	5206 County Hwy H	Steven L Petts	0.52	29,300	145,500	174,800	96.74%	30,287	150,403	180,691	0.52
60	151-03-22-32-021-000	5220 County Hwy H	John A Willey	0.72	40,500	120,600	161,100	96.74%	41,865	124,664	166,529	0.72
<b>Subtotal Area I</b>				<b>1,198.25</b>	<b>3,491,700</b>	<b>5,477,600</b>	<b>8,969,300</b>		<b>3,609,365</b>	<b>5,662,187</b>	<b>9,271,553</b>	
<b>AREA II</b>												
61	151-03-22-30-020-000	13417 Durand Ave	Walter T Harmann	8.47	50,300	70,200	120,500	96.74%	51,995	72,566	124,561	8.47
62	151-03-22-30-019-001	13211 Durand Ave	Jay D Wildfong	2.57	66,500	64,600	131,100	96.74%	68,741	66,777	135,518	2.57
63	151-03-22-30-019-000	13105 Durand Avenue	13105 Durand Avenue LLC	9.22	42,200	118,400	160,600	96.74%	43,622	122,390	166,012	9.22
64	151-03-22-30-021-004	Hwy 41	13105 Durand Avenue LLC	9.42	11,200	0	11,200	96.74%	11,577	0	11,577	9.42
65	151-03-22-30-021-005	Hwy 41	William A Schultz	10.71	2,300	0	2,300	96.74%	2,378	0	2,378	10.71
66	151-03-22-30-021-002	Hwy 41	Ann L Schultz	11.76	2,500	0	2,500	96.74%	2,584	0	2,584	11.76
67	151-03-22-30-021-000	3301 Hwy 41	Rodney A Jensen	2.92	74,200	120,300	194,500	96.74%	76,700	124,354	201,054	2.92
68	151-03-22-30-021-001	3825 Hwy 41	Petersen Family Trust	26.36	7,500	11,900	19,400	96.74%	7,753	12,301	20,054	26.36
69	151-03-22-30-001-000	Durand Ave	Creuziger Farms, Inc.	148.39	31,800	0	31,800	96.74%	32,872	0	32,872	148.39
70	151-03-22-29-008-000	12141 Durand Ave	Peter F Falk	0.47	25,000	93,100	118,100	96.74%	25,842	96,237	122,080	0.47

# Village of Mount Pleasant, Wisconsin

Tax Increment District # 5

Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equa ized Value Ratio <sup>2</sup>	and	Imp	Total	Industrial (Zoned and Suitable)
71	151-03-22-29-007-000	12127 Durand Ave	Mary Anne Falk	0.94	49,900	74,800	124,700	96.74%	51,582	77,321	128,902	0.94
72	151-03-22-29-009-000	11823 Durand Ave	Creuziger Farms, Inc.	74.33	64,700	271,000	335,700	96.74%	66,880	280,132	347,013	74.33
73	151-03-22-26-005-000	3216 S Green Bay Rd	Laura W Allard	0.46	45,600	99,700	145,300	96.74%	47,137	103,060	150,196	0.46
74	151-03-22-29-006-000	Durand Ave	John Younk	1.54	26,500	0	26,500	96.74%	27,593	0	27,593	1.54
75	151-03-22-29-001-000	11003 Durand Avenue	John H. Fonk	152.50	89,400	114,600	204,000	96.74%	92,713	118,462	210,875	152.50
76	151-03-22-30-031-000	Hwy 41	Mary Lynn Pulda	9.01	1,900	0	1,900	96.74%	1,964	0	1,964	9.01
77	151-03-22-30-030-000	Hwy 41	Spring North Corp	20.41	4,400	0	4,400	96.74%	4,548	0	4,548	20.41
78	151-03-22-30-027-000	3825 Hwy 41	Petersen Family Trust	3.58	53,600	102,700	156,300	96.74%	55,406	106,161	161,567	3.58
79	151-03-22-30-025-000	Hwy 41	Marion J Kaye	13.88	5,000	0	5,000	96.74%	5,168	0	5,168	13.88
80	151-03-22-30-029-000	Hwy 41	John Schultz	15.37	3,300	0	3,300	96.74%	3,411	0	3,411	15.37
81	151-03-22-30-028-000	Braun Road	Slavko M Grdic	8.18	1,800	0	1,800	96.74%	1,861	0	1,861	8.18
82	151-03-22-30-031-002	Braun Road	Slavko M Grdic	5.00	1,100	0	1,100	96.74%	1,137	0	1,137	5.00
83	151-03-22-30-024-000	13144 Braun Rd	Jack R Petersen	29.89	49,000	148,300	197,300	96.74%	50,651	153,297	203,949	29.89
84	151-03-22-30-023-000	3301 Hwy 41	Leroy R Petersen	29.89	6,400	0	6,400	96.74%	6,616	0	6,616	29.89
85	151-03-22-30-022-000	Braun Road	Creuziger Farms, Inc.	79.47	17,000	0	17,000	96.74%	17,573	0	17,573	79.47
86	151-03-22-30-003-000	12706 Braun Rd	George N Creuziger	1.15	57,600	139,800	197,400	96.74%	59,541	144,511	204,052	1.15
87	151-03-22-30-032-000	Braun Road	Creuziger Farms, Inc.	80.00	17,100	0	17,100	96.74%	17,676	0	17,676	80.00
88	151-03-22-29-012-000	8418 Durand Ave	Creuziger Farms, Inc.	40.00	8,600	0	8,600	96.74%	8,890	0	8,890	40.00
89	151-03-22-29-010-040	Braun Road	Thomas W. Fliess Jr.	22.00	4,700	0	4,700	96.74%	4,858	0	4,858	22.00
90	151-03-22-29-010-010	12006 Braun Rd	Rudolph R Beker	1.98	39,200	141,000	180,200	96.74%	40,521	145,751	186,272	1.98
91	151-03-22-29-010-020	Wheaton Ln	Shawn Mayer	5.26	1,100	0	1,100	96.74%	1,137	0	1,137	5.26
92	151-03-22-29-010-030	4016 Wheaton Ln	Shawn Mayer	2.76	86,200	334,500	420,700	96.74%	89,005	345,772	434,877	2.76
93	151-03-22-29-015-000	4001 Wheaton Ln	Randy S Burrow	2.32	75,700	140,600	216,300	96.74%	78,251	145,338	223,589	2.32
94	151-03-22-29-013-000	4041 Wheaton Ln	Peuschold Truss	1.48	67,300	164,700	232,000	96.74%	69,568	170,250	239,818	1.48
95	151-03-22-29-015-001	11838 Braun Rd	Ronald J Hoegsted	1.22	64,700	0	64,700	96.74%	66,880	0	66,880	1.22
96	151-03-22-29-014-000	11838 Braun Rd	Ronald J Hoegsted	0.89	50,100	127,800	177,900	96.74%	51,788	132,107	183,895	0.89
97	151-03-22-29-011-000	11820 Braun Rd	Forrest Bauer	0.63	35,400	124,700	160,100	96.74%	36,593	128,902	165,495	0.63
98	151-03-22-29-017-000	11800 Braun Rd	Bower Trust	0.51	28,700	125,600	154,300	96.74%	29,667	129,833	159,500	0.51
99	151-03-22-29-016-000	11508 Braun Rd	Linda Lamparek	79.47	59,700	106,900	166,600	96.74%	61,712	110,502	172,214	79.47
100	151-03-22-29-018-000	Braun Road	Thomas & Cherie Fliess	78.63	19,900	0	19,900	96.74%	20,571	0	20,571	78.63
101	151-03-22-29-018-010	11016 Braun Road	Travis S Spencer	1.65	69,000	203,100	272,100	96.74%	71,525	209,944	281,269	1.65
<b>Subtotal Area II</b>				<b>994.69</b>	<b>1,418,100</b>	<b>2,898,300</b>	<b>4,316,400</b>		<b>1,465,888</b>	<b>2,995,969</b>	<b>4,461,857</b>	
<b>AREA III</b>												
102	151-03-22-33-014-000	4217 County Highway H	Thomas W. Fliess	73.83	64,300	40,700	105,000	96.74%	66,467	42,072	108,538	73.83
103	151-03-22-33-013-000	4217 County Highway H	Thomas W. Fliess	73.94	15,800	0	15,800	96.74%	16,332	0	16,332	73.94
104	151-03-22-33-007-000	9725 Braun Rd	Michael Allen Mueller	5.00	102,500	196,000	298,500	96.74%	105,954	202,605	308,559	5.00
105	151-03-22-33-008-000	9705 Braun Rd	Dennis Crain	0.47	29,400	111,400	140,800	96.74%	30,591	115,154	145,745	0.47
106	151-03-22-33-009-000	9437 Braun Rd	Klingemeyer	1.10	63,500	141,300	204,800	96.74%	65,640	146,062	211,701	1.10

# Village of Mount Pleasant, Wisconsin

Tax Increment District # 5

Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	Lar d	Imp	Total	Industrial (Zoned and Suitable)
107	151-03-22-33-010-001	9407 Braun Rd	Joseph Dretzka	1.28	65,300	67,000	132,300	96.74%	67,501	69,258	136,758	1.28
108	151-03-22-33-010-000	9505 Braun Rd	Klingemeyer	0.77	48,100	87,700	135,800	96.74%	49,721	90,655	140,376	0.77
109	151-03-22-33-006-000	4217 County Highway H	Thomas W. Fliess	47.77	11,100	0	11,100	96.74%	11,474	0	11,474	47.77
110	151-03-22-33-001-000	4436 90th Street	Thomas W. Fliess & Cherie Fliess	49.50	53,700	277,200	324,900	96.74%	55,510	280,339	335,849	49.50
111	151-03-22-33-001-010	4330 90th St	John A. Usa	2.22	67,200	127,300	194,500	96.74%	69,465	131,590	201,054	2.22
112	151-03-22-33-003-000	4408 90th St	Alfredo J Ortiz	1.89	64,300	128,700	193,000	96.74%	66,467	133,037	199,504	1.89
113	151-03-22-33-002-000	4424 90th St	Ryan M Irish	4.47	87,500	102,300	189,800	96.74%	89,800	105,747	196,196	4.47
114	151-03-22-33-001-020	4444 90th St	Tom & Cherie Fliess	1.82	63,600	207,600	265,200	96.74%	65,743	208,394	274,137	1.82
115	151-03-22-32-018-000	County Hwy h	Rosina Neumayer	0.70	200	0	200	96.74%	207	0	207	0.70
116	151-03-22-33-017-000	County Hwy H	Rosina Neumayer	37.84	8,200	0	8,200	96.74%	8,476	0	8,476	37.84
117	151-03-22-33-016-010	County Line Road	Borzynski Brothers Properties	60.00	13,100	0	13,100	96.74%	13,541	0	13,541	60.00
118	151-03-22-33-016-000	10514 County Line Rd	Michael R Schmidt	2.91	81,600	110,200	191,800	96.74%	84,350	113,914	198,263	2.91
119	151-03-22-33-018-000	9924 County Line Road	Henry Bouwma and Rosemary Bouwma, Clara J Cspe	43.72	57,500	70,500	128,000	96.74%	59,438	72,876	132,313	43.72
120	151-03-22-33-011-000	County Line Road	Bonnie S. Sorensen	72.03	15,300	8,900	17,100	96.74%	15,816	1,861	17,676	72.03
121	151-03-22-33-012-000	9710 County Line Road	Bonnie S. Sorensen	1.46	52,100	50,600	102,700	96.74%	53,856	52,305	106,161	1.46
122	151-03-22-33-019-000	9300 County Line Rd	Daniel P Braun	51.82	73,200	71,500	144,700	96.74%	75,667	73,909	149,576	51.82
123	151-03-22-33-004-000	4930 90th St	Daniel P Braun	57.38	39,400	120,000	159,400	96.74%	40,728	124,044	164,772	57.38
124	151-03-22-33-005-000	4912 90th St	Braun Trust	0.63	29,900	154,000	183,900	96.74%	30,508	159,190	190,097	0.63
125	151-03-22-33-005-001	90th St	Daniel P Braun	2.00	400	0	400	96.74%	413	0	413	2.00
126	151-03-22-33-020-000	5138 90th St	Daniel P Braun	14.80	46,800	111,100	157,900	96.74%	48,377	114,844	163,221	14.80
127	151-03-22-33-021-000	5230 90th St	John F King	3.20	76,100	147,400	223,500	96.74%	78,664	152,367	231,032	3.20
128	151-03-22-33-024-000	9144 County Line Rd	Elmer S Sauder	3.10	83,500	106,200	189,700	96.74%	86,314	109,779	196,093	3.10
129	151-03-22-33-022-000	9108 County Line Rd	Robert M Awila	3.30	85,500	108,000	193,500	96.74%	88,381	111,639	200,021	3.30
130	151-03-22-33-023-000	90th St	Ned E Lashley	3.50	600	0	600	96.74%	620	0	620	3.50
<b>Subtotal Area III</b>				<b>622.45</b>	<b>1,399,700</b>	<b>2,526,500</b>	<b>3,926,200</b>		<b>1,446,668</b>	<b>2,611,639</b>	<b>4,058,507</b>	
<b>North Area</b>												
131	03-22-19-008-000	13316 Louis Sorenson Rd	Thomas A. Hribar Sr. Revocable Trust Dated January 1	104.25	189,300	211,500	400,800	96.74%	195,679	218,627	414,306	104.25
132	03-22-19-002-000	12804 Louis Sorenson Rd	Zenner Trust Deve P & Gloria A	53.00	58,600	74,700	133,300	96.74%	60,575	77,217	137,792	53.00
133	03-22-19-006-005	Louis Sorenson Rd	Audrey L Schaefer Family, LLC	68.58	14,700	0	14,700	96.74%	15,195	0	15,195	68.58
134	03-22-19-006-001	Louis Sorenson Rd	Mt Pleasant Village of	2.70	0	0	0	96.74%	0	0	0	2.70
135	03-22-19-006-010	12800 Louis Sorenson Rd	Randall L. Borgardt	5.86	48,500	243,600	292,100	96.74%	50,134	251,809	301,943	5.86
136	03-22-19-001-000	12620 Louis Sorenson Rd	Nora A. Shaughnessy	0.96	60,000	83,400	143,400	96.74%	62,022	86,210	148,232	0.96
137	03-22-19-006-015	Louis Sorenson Rd	Nora Shaughnessy	0.12	400	0	400	96.74%	413	0	413	0.12
138	03-22-19-003-000	12600 Louis Sorenson Rd	Julia E. Linstroth	0.82	51,300	117,700	169,000	96.74%	53,029	121,666	174,695	0.82
139	03-22-19-005-000	12240 Louis Sorenson Rd	Russell E. Buck	3.06	83,100	147,500	230,600	96.74%	85,500	152,471	238,371	3.06
140	03-22-19-006-000	12232 Louis Sorenson Rd	Steven J. Kirk	2.82	80,700	111,000	191,700	96.74%	83,419	114,741	198,160	2.82



# Village of Mount Pleasant, Wisconsin

Tax Increment District # 5

Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	Land	Imp	Total	Industrial (Zoned and Suitable)
141	03-22-19-004-000	12224 Louis Sorenson Rd	Gerold W. Jacobs	3.32	85,700	125,400	212,100	96.74%	88,588	130,659	219,247	3.32
142	03-22-20-022-001	12123 Louis Sorenson Rd	Zenner Trust David P & Gloria A	26.35	5,600	0	5,600	96.74%	5,789	0	5,789	26.35
143	03-22-20-022-000	12012 Louis Sorenson Rd	Tina L. Miller	10.17	49,500	182,500	232,000	96.74%	51,668	188,650	239,818	10.17
144	03-22-20-013-000	12000 Louis Sorenson Rd	David P. Schacht	20.00	141,700	137,600	279,300	96.74%	146,475	142,237	288,712	20.00
145	03-22-20-019-000	11230 Louis Sorenson Rd	Marc V. Kennedy	24.25	52,500	335,400	387,900	96.74%	54,269	346,703	400,972	24.25
146	03-22-20-021-000	11148 Louis Sorenson Rd	Shannon L Chadwell Revocable Trust	10.00	129,000	261,000	390,000	96.74%	133,347	269,795	403,142	10.00
147	03-22-20-007-000	Louis Sorenson Rd	Salvador Coronado	10.00	12,500	2,700	15,200	96.74%	12,921	2,791	15,712	10.00
148	03-22-19-013-210	E Frontage Rd	Thomas S. Hall	12.81	2,700	0	2,700	96.74%	2,791	0	2,791	12.81
149	03-22-19-014-300	2615 S Hwy 41	Barbara Rinke	1.39	59,800	123,800	183,600	96.74%	61,815	127,972	189,787	1.39
150	03-22-19-013-100	2635 E Frontage Rd	Floyd A. Leonard	7.19	112,000	93,900	211,900	96.74%	115,774	103,266	219,041	7.19
151	03-22-19-013-200		Funk Farms Inc Robert E	9.95	2,100	0	2,100	96.74%	2,171	0	2,171	9.95
152	03-22-19-018-000	13223 Louis Sorenson Rd	Robert E. Mears Trustee	29.56	57,300	91,900	149,200	96.74%	59,231	94,997	154,228	29.56
153	03-22-19-015-000	13231 Louis Sorenson Rd	Nancy J Rothering Living Trust	28.64	6,100	0	6,100	96.74%	6,306	0	6,306	28.64
154	03-22-19-016-000	12845 Louis Sorenson Rd	Louis Sorenson Road LLC	0.69	43,100	113,100	162,200	96.74%	44,552	123,114	167,666	0.69
155	03-22-19-017-000	12827 Louis Sorenson Rd	Ronald C. Smith	1.03	62,800	122,000	184,800	96.74%	64,916	126,111	191,027	1.03
156	03-22-19-023-000	12721 Louis Sorenson Rd	Mary Jo Becker	33.30	54,400	44,300	98,700	96.74%	56,233	45,793	102,026	33.30
157	03-22-19-007-000	12123 Louis Sorenson Rd	Peter Zenner Family Farm LLC	39.00	8,300	0	8,300	96.74%	8,580	0	8,580	39.00
158	03-22-19-025-000	Louis Sorenson Rd	Peter Zenner Family Farm LLC	44.00	9,400	0	9,400	96.74%	9,717	0	9,717	44.00
159	03-22-20-023-000	12123 Louis Sorenson Rd	Peter Zenner Family Farm LLC	17.14	16,500	44,400	60,900	96.74%	17,056	45,896	62,952	17.14
160	03-22-20-024-000	12123 Louis Sorenson Rd	Zenner Trust Shirley A	0.86	53,800	88,500	142,300	96.74%	55,613	91,482	147,095	0.86
161	03-22-20-016-000	Louis Sorenson Rd	Daniel C. Schmidt	0.95	200	0	200	96.74%	207	0	207	0.95
162	03-22-20-015-000	Louis Sorenson Rd	Barbara L. Schmidt	0.95	200	0	200	96.74%	207	0	207	0.95
163	03-22-20-021-010	11505 Louis Sorenson Rd	Zenner Trust Dan P & Julie M	4.01	53,600	171,600	225,200	96.74%	55,406	177,383	232,789	4.01
164	03-22-20-014-000	11445 Louis Sorenson Rd	Marilyn M & Harry H Kitzmann Jr Rev Liv Tr-Just Dated	2.01	72,600	107,400	180,000	96.74%	75,047	111,019	186,066	2.01
165	03-22-20-012-000	11317 Louis Sorenson Rd	Herzog Living Trust James P & Brenda G	1.37	66,200	109,500	175,700	96.74%	68,431	113,190	181,621	1.37
166	03-22-20-010-000	11311 Louis Sorenson Rd	Gregory D. Stoltenwerk	1.62	68,700	196,000	264,700	96.74%	71,015	202,605	273,620	1.62
167	03-22-20-011-000	11245 Louis Sorenson Rd	Scott G. Calvine	0.96	60,000	158,400	218,400	96.74%	62,022	163,738	225,760	0.96
168	03-22-20-009-000	11237 Louis Sorenson Rd	Marilyn Rossman	0.90	56,300	115,500	171,800	96.74%	58,497	119,392	177,589	0.90
169	03-22-20-017-000	11225 Louis Sorenson Rd	Virginia E. Hazlett, Trustee Under the Virginia E. Hazl	1.06	63,100	140,600	203,700	96.74%	65,226	145,338	210,564	1.06
170	03-22-20-020-000	11219 Louis Sorenson Rd	John C. Hewitt	2.76	80,100	128,600	208,700	96.74%	82,799	132,934	215,733	2.76
171	03-22-20-018-000	11207 Louis Sorenson Rd	Stollenwerk Revocable Trust Gene & Wife	1.88	71,300	164,700	236,000	96.74%	73,703	170,250	243,953	1.88
172	03-22-20-008-000	12123 Louis Sorenson Rd	Zenner Trust David P & Gloria A	32.89	7,000	0	7,000	96.74%	7,236	0	7,236	32.89
173	03-22-20-005-010	Louis Sorenson Rd	Stollenwerk Trust Gene F & Sharon L	45.84	9,800	0	9,800	96.74%	10,130	0	10,130	45.84
174	03-22-20-006-000	10909 Louis Sorenson Rd	Michael Borzynski Farms LLC	22.74	52,200	133,700	185,900	96.74%	53,959	138,205	192,165	22.74
175	03-22-20-001-000	West Rd	Ruth Guenther Pinekenstein	18.52	4,000	0	4,000	96.74%	4,135	0	4,135	18.52



# Village of Mount Pleasant, Wisconsin

## Tax Increment District # 5

### Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	La-rd	Imp	Total	Industrial (Zoned and Suitable)
176	03-22-20-003-000	10523 Louis Sorenson Rd	William L. Rickman	0.76	47,500	111,500	159,000	96.74%	49,101	115,257	164,358	0.76
177	03-22-20-002-000	1806 West Rd	Danny Moore Jr	0.76	42,800	223,300	266,100	96.74%	44,242	230,825	275,067	0.76
178	03-22-20-004-000	West Rd	Michael Borzyrski Farms LLC	9.87	2,100	0	2,100	96.74%	2,171	0	2,171	9.87
179	03-22-20-005-000	2036 West Rd	Richard Ball	9.87	44,700	135,500	180,200	96.74%	46,206	140,066	186,272	9.87
180	03-22-20-040-000	2102 West Rd	Milan Galic	19.54	46,800	78,600	125,400	96.74%	48,377	81,249	129,626	19.54
181	03-22-20-042-000	West Rd	Joseph E. Borzynski	7.57	26,700	0	26,700	96.74%	27,600	0	27,600	7.57
182	03-22-20-041-000	2256 West Rd	Harvey S & Virginia L Deyong Joint Rev Trust	2.90	73,400	151,000	224,400	96.74%	75,873	156,088	231,962	2.90
183	03-22-20-025-001	2412 West Rd	David J. Borzynski	10.00	77,500	69,700	147,200	96.74%	80,112	72,049	152,160	10.00
184	03-22-20-025-000	12123 Louis Sorenson Rd	Peter Zenner Family Farm, LLC	153.72	32,900	0	32,900	96.74%	34,009	0	34,009	153.72
185	03-22-19-014-000	2825 SE Frontage Rd	Abandoned LLC	4.57	104,200	296,000	400,200	96.74%	107,711	305,975	413,686	4.57
186	03-22-19-014-110	Old Hwy 11	Abandoned LLC	8.10	1,700	0	1,700	96.74%	1,757	0	1,757	8.10
187	03-22-19-014-100	Old Hwy 11	Bruce W & Vicki L Funk Trust Dated August 20, 2015	20.82	4,500	0	4,500	96.74%	4,652	0	4,652	20.82
188	03-22-19-019-000	Old Hwy 11	Bruce W & Vicki L Funk Trust Dated August 20, 2015	40.00	8,600	0	8,600	96.74%	8,890	0	8,890	40.00
189	03-22-19-022-000	12123 Louis Sorenson Rd	Peter Zenner Family Farm, LLC	13.50	2,900	0	2,900	96.74%	2,998	0	2,998	13.50
190	03-22-19-021-000	13042 Old Hwy 11	John A. Holmés	5.00	60,000	51,900	111,900	96.74%	62,022	53,649	115,671	5.00
191	03-22-19-020-000	Old Hwy 11	John A. Holmés	5.00	22,500	0	22,500	96.74%	23,258	0	23,258	5.00
192	03-22-19-024-000	12508 Old Hwy 11	Kyle Creuziger	33.74	71,800	90,000	161,800	96.74%	74,220	93,033	167,252	33.74
193	03-22-30-006-000	13623 Old Hwy 11	Charles R. Engel	1.55	34,000	42,600	76,600	96.74%	35,146	44,036	79,181	1.55
194	03-22-30-016-000	13501 Old Hwy 11	Kenosha-Racine Fs Coop	5.60	1,200	0	1,200	96.74%	1,240	0	1,240	5.60
195	03-22-30-018-000	Old Hwy 11	R&R Innovative Investments Inc	0.21	9,500	0	9,500	96.74%	9,820	0	9,820	0.21
196	03-22-30-005-000	13621 Old Hwy 11	R&R Innovative Investments Inc	0.86	56,200	32,000	88,200	96.74%	58,094	33,078	91,172	0.86
197	03-22-30-004-000	13425 Old Hwy 11	Robert L. Treptow Jr	1.29	58,900	110,600	169,500	96.74%	60,885	114,327	175,212	1.29
198	03-22-30-017-000	13315 Old Hwy 11	Richard E. Zimmerman	2.22	67,200	176,100	243,300	96.74%	69,465	182,034	251,499	2.22
199	03-22-30-012-000	13745 Old Hwy 11	Christopher A. Stumm Jr	1.00	56,300	99,700	156,000	96.74%	58,197	103,060	161,257	1.00
200	03-22-30-013-000	13237 Old Hwy 11	Matthew T. Bowen	1.09	57,100	90,900	148,000	96.74%	59,024	93,963	152,987	1.09
201	03-22-30-015-000	13231 Old Hwy 11	Paul A. Gelmi Jr	1.07	56,900	124,200	181,100	96.74%	58,817	128,385	187,203	1.07
202	03-22-30-014-000	13215 Old Hwy 11	Glen C. Van Swal	1.03	56,500	106,700	163,200	96.74%	58,404	110,296	168,700	1.03
203	03-22-30-008-000	13205 Old Hwy 11	Steven S. Jost	1.75	63,000	181,900	244,900	96.74%	65,123	188,030	253,153	1.75
204	03-22-30-010-000	13145 Old Hwy 11	Michael L. Hazlett	0.97	54,600	114,900	169,500	96.74%	56,440	118,772	175,212	0.97
205	03-22-30-011-000	13145 Old Hwy 11	Michael L. Hazlett	0.90	8,400	0	8,400	96.74%	8,683	0	8,683	0.90
206	03-22-30-009-000	13101 Old Hwy 11	Harold W. Cousins	1.16	57,700	178,400	236,100	96.74%	59,644	184,412	244,056	1.16
207	03-22-30-007-000	13023 Old Hwy 11	Richard J. Debeare	2.00	65,300	78,900	144,200	96.74%	67,501	81,559	149,059	2.00
208	03-22-30-001-000	Durand Ave	CREUZIGER FARMS INC	8.38	0	0	0	96.74%	0	0	0	8.38
209	03-22-20-043-000	West Rd	C Rr	7.50	0	0	0	96.74%	0	0	0	7.50
210	03-22-20-030-000	11326 Durand Ave	Rita & Leman Pendley	0.99	53,100	114,700	167,800	96.74%	54,889	118,565	173,455	0.99

# Village of Mount Pleasant, Wisconsin

## Tax Increment District # 5

### Base Property Information

Map Ref. #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	Total	Equalized Value Ratio <sup>2</sup>	Land	Imp	Total	Industrial (Zoned and Suitable)
211	03-22-20-031-000	11310 Durand Ave	Paul Smaglick	1.00	53,100	1-4,600	167,700	96.74%	54,889	118,462	173,351	1.00
212	03-22-20-032-000	11226 Durand Ave	Larry & Carol Newmiller	1.00	53,100	76,300	129,400	96.74%	54,889	78,871	133,761	1.00
213	03-22-20-034-000	11000 Durand Ave	Deborah P Bauer Revocable Trust dated June 30, 201	4.35	81,600	100,500	182,100	96.74%	84,350	103,887	188,237	4.35
214	03-22-20-035-000	10842 Durand Ave	Lloyd Dejong II	1.59	58,100	89,000	147,100	96.74%	60,058	91,999	152,057	1.59
215	03-22-20-038-000	10830 Durand Ave	Harold M Rose Jr	0.32	16,500	53,400	69,900	96.74%	17,056	55,200	72,256	0.32
216	03-22-20-036-000	10812 Durand Ave	Raymond & Lorraine Berggren	1.04	51,000	96,600	147,600	96.74%	52,719	99,855	152,574	1.04
217	03-22-20-033-000	10800 Durand Ave	Kelli Rossmann	1.06	52,600	1-3,600	166,200	96.74%	54,373	117,428	171,801	1.06
<b>Subtotal Northern Area</b>				<b>1,105.93</b>	<b>4,009,200</b>	<b>7,498,000</b>	<b>11,507,200</b>		<b>4,144,304</b>	<b>7,750,672</b>	<b>11,894,976</b>	
				<b>Total Acreage</b>	<b>10,318,700</b>	<b>18,400,400</b>	<b>28,719,100</b>		<b>10,666,425</b>	<b>19,020,467</b>	<b>29,686,893</b>	<b>3921.32</b>
									<b>Estimated Base Value</b>	<b>29,686,893</b>		<b>100.000%</b>

**NOTES:**

<sup>1</sup>Assessed valuations as of January 1, 2017.

<sup>2</sup>Ratio shown is for January 1, 2016 as published by the Wisconsin Dept. of Revenue. Ratio for January 1, 2017 not available.

659,249

## SECTION 6: Equalized Value Test

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Wis. Stat. § 66.1105(20)(b) as created by the Act exempts the District from the requirements of the 12% percent equalized value limit at the time of District creation. Additionally, the District's incremental value will not be considered in calculation of compliance with the limit should the Village create additional districts, or amend districts to add territory. As of January 1, 2017, existing Village TID's had incremental value of \$109,667,300 or 4.06% of Village total equalized value.

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all projects, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating Village ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible projects that the Village expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 8 of this Plan along with the Detailed List of Project Costs found in Section 9 provide additional information as to the kind, number and location of potential Project Costs.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Development

To facilitate development of the Project, the Village will acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total Project Costs of the District. If total Project Costs incurred by the Village to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

### Acquisition of Rights-of-Way

The Village will need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.

### Acquisition of Easements

The Village will need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire easement rights are eligible Project Costs.

### Relocation Costs

The Village will pay relocation costs in conjunction with the acquisition of property. These expenses are eligible Project Costs and may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

## Site Preparation Activities

### Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediation are eligible Project Costs.

### Demolition

To make sites suitable for development the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

### Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

## Utilities

### Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving the District. To allow development to occur, the Village will need to construct, alter, rebuild or expand sanitary sewer infrastructure within and outside of the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Water System Improvements**

There are inadequate water distribution facilities serving the District. To allow development to occur, the Village will need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Stormwater Management System Improvements**

To manage stormwater runoff, the Village will need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Electric Service**

To create sites suitable for development the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.

### **Gas Service**

To create sites suitable for development the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.

### **Communications Infrastructure**

To create sites suitable for development the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.



## Streets and Streetscape

### Street Improvements

There are inadequate street improvements serving areas of the District. To allow development to occur, the Village may need to construct or reconstruct streets, highways, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the Village are eligible Project Costs.

## Community Development Authority Activities (CDA)

### Contribution to CDA

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the Village may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

### Revolving Loan/Grant Program

To encourage private redevelopment consistent with the objectives of this Plan, the Village, through its CDA, may provide loans and/or grants to eligible property owners in the District. Loan and/or grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.



## Miscellaneous

### Rail Spur

To allow for development, the Village may incur costs for installation of a rail spur to serve development sites located within the District.

### Cash Grants (Development Incentives)

The Village may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.

### Project Costs Outside the Tax Incremental District

Wis. Stat. § 66.1105(20)(c) as created by the Act permits the District to pay the cost of any Project Cost incurred within Racine County provided that the expenditures benefits the District as determined by the Wisconsin Department of Administration.

### Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

### Administrative Costs

The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees in connection with the implementation of the Plan.

### Public Safety Operating and Capital Costs

Wis. Stat. § 66.1105(20)(c) as created by the Act permits the District to pay the costs of providing police and fire protection to the Project provided that such costs not exceed 15% of the total tax increments collected over the life of the District. Related capital costs may only be incurred within the first 84 months of the District's life, and any expenditures made for construction or expansion of a fire station are limited to fire stations located within one mile of the District.

### Financing Costs

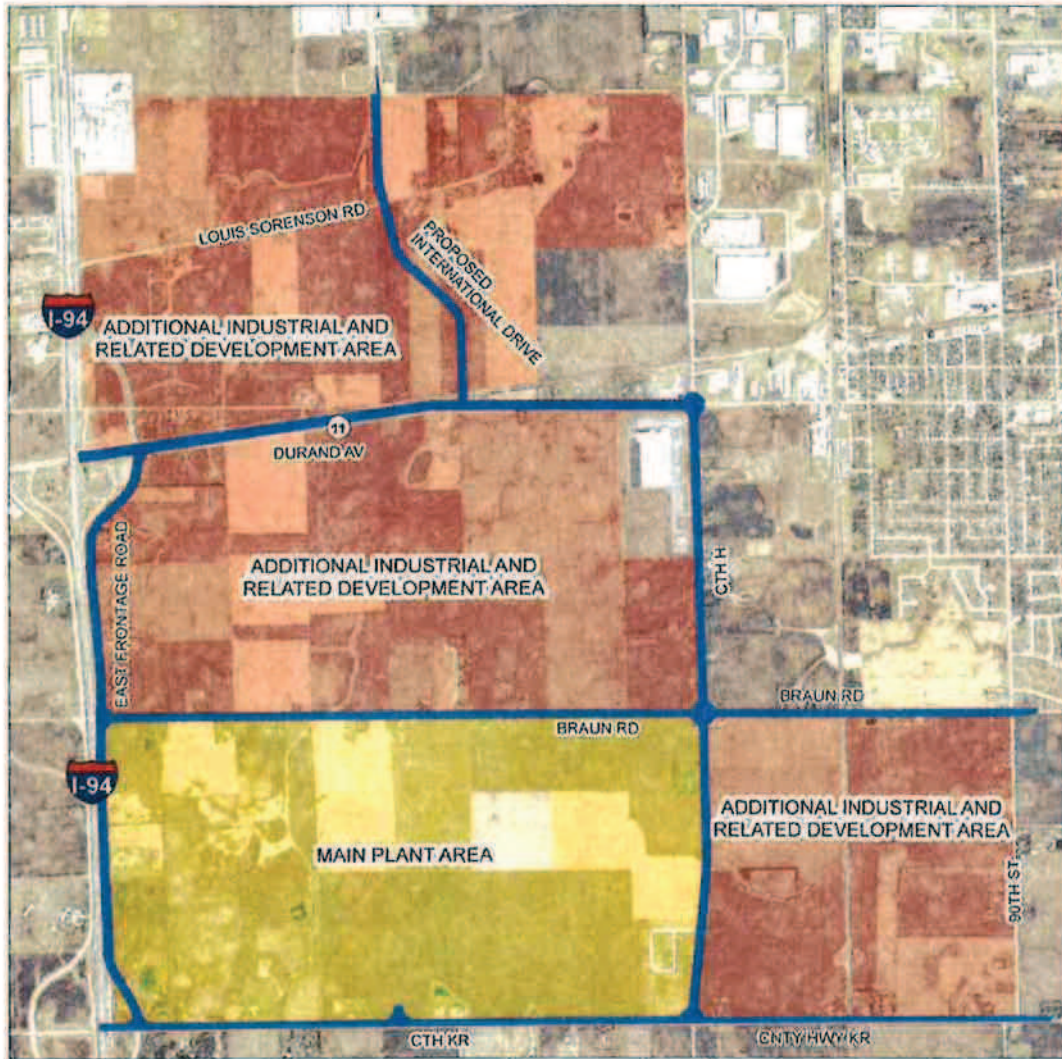
Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

**SECTION 8:**  
**Map Showing Proposed Improvements and Uses**

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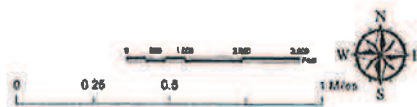
Maps Located on Following Page

# PROPOSED IMPROVEMENTS and USES MAP I

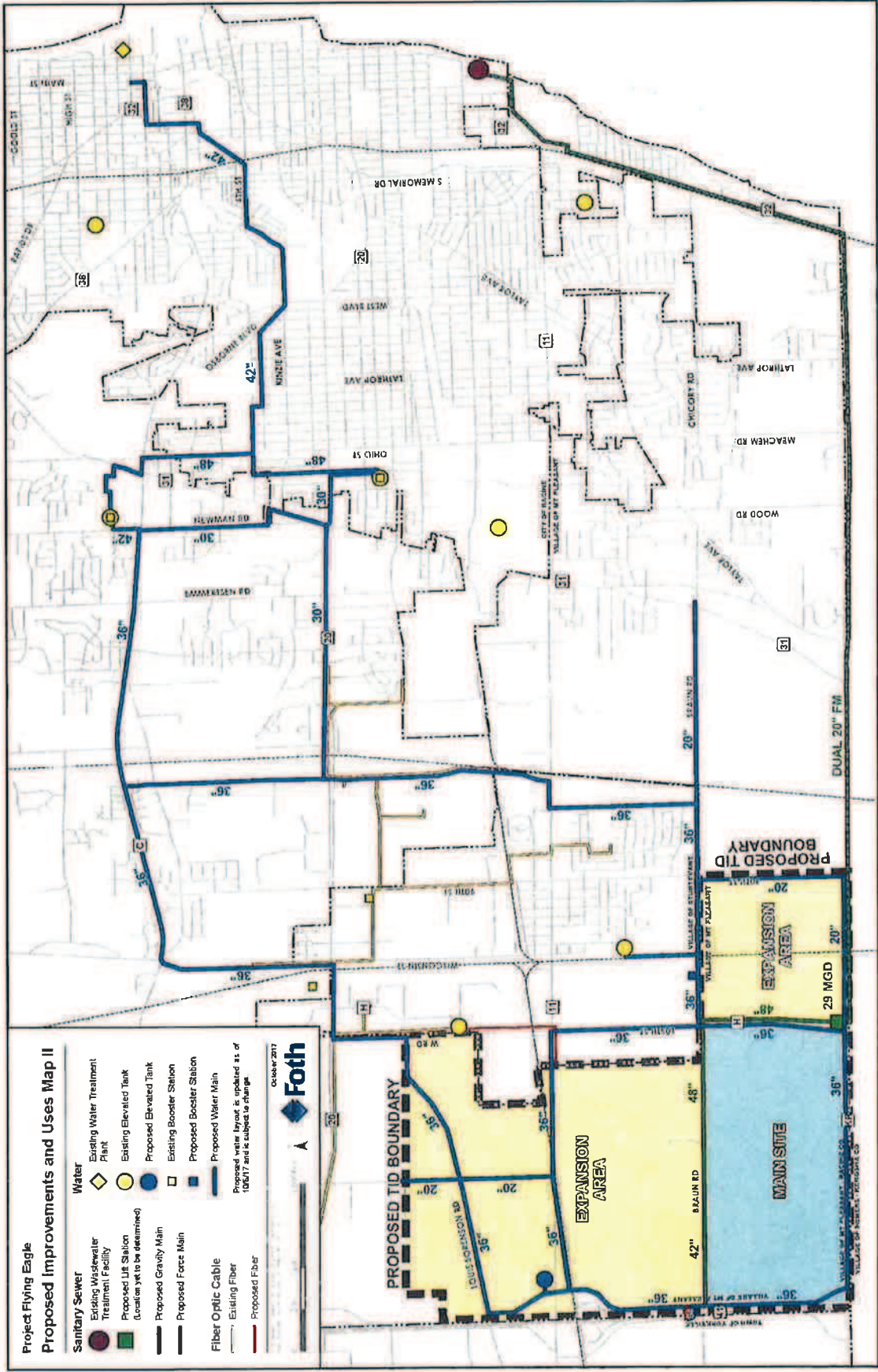


**Legend**

- ▬ Public ROW Improvements Proposed
- Development Area**
- Main Plant Area
- Additional Industrial Related Development Area







## SECTION 9: Detailed List of Project Costs

The following list identifies the Project Costs that the Village currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. Since the Village expects additional development to occur within the District beyond what is forecasted in this Plan, it may need to incur additional Project Costs to enable that development. (Section 7 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Village of Mount Pleasant, Wisconsin					
Tax Increment District # 5					
Detailed List of Project Costs					
	Village	County	Joint Public Partnership (County/Village)	Developer	Total
<b>Sources of Funds</b>					
Developer Cash Contribution				60,000,000	60,000,000
Debt Proceeds <sup>1</sup>	160,210,400	117,760,000	58,000,000		335,970,400
Interest Earnings <sup>2</sup>	287,504	128,818			416,322
Land Sale Proceeds <sup>3</sup>				4,713,333	4,713,333
Paid from Current Tax Increment Collections <sup>4</sup>	310,546,516	52,131,600			362,678,116
<b>Total Sources of Funds</b>	<b>471,044,420</b>	<b>170,020,418</b>	<b>58,000,000</b>	<b>64,713,333</b>	<b>763,778,171</b>
<b>Uses of Funds</b>					
Land Acquisition & Relocation Costs	62,900	50,000,000	58,000,000	60,000,000	168,062,900
Water Infrastructure	62,000,000	26,374,650			88,374,650
Sanitary Sewer Infrastructure	43,364,800	28,000,000			71,364,800
Road Improvements	11,500,000				11,500,000
Other Costs	4,724,370				4,724,370
Operating Costs (Including Related Capital) & Prof. Services	116,311,342				116,311,342
Contingency	24,317,834	3,803,730			28,121,564
Finance Related Expenses <sup>5</sup>	2,469,625	1,835,000			4,105,625
Interest on Debt	106,493,549	60,006,038			166,499,587
Interest on Mortgage				4,713,333	4,713,333
Development Incentives	100,000,000				100,000,000
<b>Total Uses of Funds</b>	<b>471,044,420</b>	<b>170,020,418</b>	<b>58,000,000</b>	<b>64,713,333</b>	<b>763,778,171</b>
<b>Plus Debt Principal Issued<sup>6</sup></b>					<b>396,395,000</b>
<b>Plus Reimbursement Portion of Development Incentive Payments<sup>7</sup></b>					<b>133,581,750</b>
<b>Plus Projected TID Fund Balance at Closure</b>					<b>195,033,611</b>
<b>Reconcile to Total TID Revenue from Cashflow Exhibit</b>					<b>1,488,788,532</b>
<b>Notes:</b>					
<sup>1</sup> Net of proceeds allocated for capitalized interest and funding of debt service reserves.					
<sup>2</sup> Projected interest earnings on temporarily invested bond proceeds.					
<sup>3</sup> Reflects only that portion of land sale revenues applied to make interest payments on mortgage note. (Balance applied to reduce principal).					
<sup>4</sup> Reflects portions of annual tax increment collections used to pay debt service interest, operating costs and development incentive payments.					
<sup>5</sup> Estimated costs of issuance and debt discount.					
<sup>6</sup> Total shown includes \$53.7M in interim financing.					
<sup>7</sup> Reimbursement to Developer from available tax increments for special assessments paid (projected \$73.58M) and cash contribution (\$60M).					



## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

### Key Assumptions

The analysis assumes that the Project will be constructed on a 1,198-acre site within the District and will be valued at \$1.4 billion with construction commencing in 2018 and full valuation achieved by January 1, 2022. As a condition of Village and County investment in the project, the Developer will be required to guarantee \$1.4 billion in minimum valuation for the entire life of the District. The valuation forecast, shown in **Table 1** includes this \$1.4 billion and an estimated temporary \$8.2 million loss in valuation since land within the District that may be acquired by the Village would become tax-exempt for the period between its acquisition and sale or conveyance to a private entity. The Plan assumes that a sufficient amount of the acquired land (approximately 65 acres) would be sold or transferred prior to January 1, 2022 to negate this decremental value. Additional transfers or sale of land will increase the incremental value of the District, but are not assumed for purposes of the projections. The projections also do not take into consideration the expectation that additional development will occur within the remaining 2,723-acres included within the District. The exclusion of likely additional development and valuation is intended to provide for conservatism in the projections and to ensure that the valuation of the primary manufacturing facility will be sufficient to pay all anticipated District Project Costs. If a greater level of valuation is achieved within the District, it would provide for a quicker recovery of costs and an earlier District closure.

Assuming the minimum valuation requirement of \$1.4 billion as a constant, and the Village's current equalized TID Interim tax rate of \$22.21 per thousand of equalized value, the Project facility would generate \$31.1 million in incremental tax revenue per year commencing as of the 2022 tax levy for the 2023 budget year. Over the 30-year term of the District, the Project is projected to generate approximately \$885.7 million in incremental tax revenue as shown in **Table 2**.

## Village of Mount Pleasant, Wisconsin

### Tax Increment District # 5

#### Development Assumptions<sup>1</sup>

Construction Year	Actual	Manufacturing Space <sup>2</sup>	Land Decrement Due to Acquisition <sup>3</sup>	Land Increment Due to Transfer or Sale <sup>4</sup>	Annual Total	Construction Year
1 2018		350,000,000	(2,747,533)		347,252,467	2018 1
2 2019		350,000,000	(2,747,533)		347,252,467	2019 2
3 2020		350,000,000	(2,747,533)		347,252,467	2020 3
4 2021		350,000,000		8,242,600	358,242,600	2021 4
5 2022					0	2022 5
6 2023					0	2023 6
7 2024					0	2024 7
8 2025					0	2025 8
9 2026					0	2026 9
10 2027					0	2027 10
11 2028					0	2028 11
12 2029					0	2029 12
13 2030					0	2030 13
14 2031					0	2031 14
15 2032					0	2032 15
16 2033					0	2033 16
17 2034					0	2034 17
18 2035					0	2035 18
19 2036					0	2036 19
20 2037					0	2037 20
21 2038					0	2038 21
22 2039					0	2039 22
23 2040					0	2040 23
24 2041					0	2041 24
25 2042					0	2042 25
26 2043					0	2043 26
27 2044					0	2044 27
28 2045					0	2045 28
29 2046					0	2046 29
30 2047					0	2047 30
<b>Totals</b>	<b>0</b>	<b>1,400,000,000</b>	<b>(8,242,600)</b>	<b>8,242,600</b>	<b>1,400,000,000</b>	

**Notes:**

<sup>1</sup>Assumes incremental valuation anticipated on first 1,198 acres only. (Potential incremental valuation on remaining 2,723 acres not included for forecast purposes.)

<sup>2</sup>\$1.48 valuation (20,000,000 SF) to be guaranteed as of January 1, 2022. Assumes four year construction period with 25% of valuation established in each year.

<sup>3</sup>Reflects temporary decremental value resulting from public acquisition of land in Areas II and III (appx. 1,617 acres) and temporary conversion to tax-exempt status pending sale.

<sup>4</sup>Reflects elimination of decremental value resulting from subsequent transfer or sale of land to Developer or other private parties. (Transfer or sale of 165 acres needed to negate decrement).

**Table 1 – Development Assumptions**

# Village of Mount Pleasant, Wisconsin

## Tax Increment District # 5

### Tax Increment Projection Worksheet

Type of District	Industrial	Base Value	29,686,893
District Creation Date	November 13, 2017	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2018	Base Tax Rate <sup>1</sup>	\$22.21
Max Life (Years)	30	Rate Adjustment Factor	
Expenditure Period/Termination	30 11/13/2047		
Revenue Periods/Final Year	30 2049		
Extension Eligibility/Years	Yes 3		
Recipient District	No		

Construction	Year	Value Added	Valuation Year	Inflation		Total Increment	Revenue Year	Tax Rate	Tax Increment
				Increment					
1	2018	347,252,467	2019	0	347,252,467	2020	\$22.21	7,711,339	
2	2019	347,252,467	2020	0	694,504,933	2021	\$22.21	15,422,678	
3	2020	347,252,467	2021	0	1,041,757,400	2022	\$22.21	23,134,017	
4	2021	358,242,600	2022	0	1,400,000,000	2023	\$22.21	31,089,411	
5	2022	0	2023	0	1,400,000,000	2024	\$22.21	31,089,411	
6	2023	0	2024	0	1,400,000,000	2025	\$22.21	31,089,411	
7	2024	0	2025	0	1,400,000,000	2026	\$22.21	31,089,411	
8	2025	0	2026	0	1,400,000,000	2027	\$22.21	31,089,411	
9	2026	0	2027	0	1,400,000,000	2028	\$22.21	31,089,411	
10	2027	0	2028	0	1,400,000,000	2029	\$22.21	31,089,411	
11	2028	0	2029	0	1,400,000,000	2030	\$22.21	31,089,411	
12	2029	0	2030	0	1,400,000,000	2031	\$22.21	31,089,411	
13	2030	0	2031	0	1,400,000,000	2032	\$22.21	31,089,411	
14	2031	0	2032	0	1,400,000,000	2033	\$22.21	31,089,411	
15	2032	0	2033	0	1,400,000,000	2034	\$22.21	31,089,411	
16	2033	0	2034	0	1,400,000,000	2035	\$22.21	31,089,411	
17	2034	0	2035	0	1,400,000,000	2036	\$22.21	31,089,411	
18	2035	0	2036	0	1,400,000,000	2037	\$22.21	31,089,411	
19	2036	0	2037	0	1,400,000,000	2038	\$22.21	31,089,411	
20	2037	0	2038	0	1,400,000,000	2039	\$22.21	31,089,411	
21	2038	0	2039	0	1,400,000,000	2040	\$22.21	31,089,411	
22	2039	0	2040	0	1,400,000,000	2041	\$22.21	31,089,411	
23	2040	0	2041	0	1,400,000,000	2042	\$22.21	31,089,411	
24	2041	0	2042	0	1,400,000,000	2043	\$22.21	31,089,411	
25	2042	0	2043	0	1,400,000,000	2044	\$22.21	31,089,411	
26	2043	0	2044	0	1,400,000,000	2045	\$22.21	31,089,411	
27	2044	0	2045	0	1,400,000,000	2046	\$22.21	31,089,411	
28	2045	0	2046	0	1,400,000,000	2047	\$22.21	31,089,411	
29	2046	0	2047	0	1,400,000,000	2048	\$22.21	31,089,411	
30	2047	0	2048	0	1,400,000,000	2049	\$22.21	31,089,411	
<b>Totals</b>		<b>1,400,000,000<sup>2</sup></b>		<b>0</b>		<b>Future Value of Increment</b>		<b>885,682,127</b>	

Notes:

<sup>1</sup>Actual rate for the 2016/17 levy as calculated on DOR Form PC-202 (Tax Increment Collection Worksheet).

<sup>2</sup>Assumes incremental valuation anticipated on first 1,198 acres only. (Potential incremental valuation on remaining 2,723 acres not included for forecast purposes.)

**Table 2 – Tax Increment Projection Worksheet**

## Financing and Implementation

The Village, in conjunction with Racine County, expects to issue a series of debt financing obligations to pay for Project Costs within the District. Debt issuance timing, the issuing entity, amounts to be financed and debt instruments expected to be used are based on current pre-design engineering estimates and land acquisition cost estimates and may change. Debt obligations shown may also be issued in more than one series to coincide with the need for capital over the expected three-year buildout period. The tables below identify both the public debt expected to be issued (**Table 3**) and other District obligations to be paid from available tax increments (**Table 4**).

Timing	Instrument	Issuer	Funds	Estimated Amount
Late-2017	G.O. Bonds	Racine County	Land Acquisition	\$55.2M
Mid-2018	Revenue Bond Anticipation Note (Interim Financing)	Village	Sanitary Sewer Infrastructure	\$53.7M
Mid-2018	Tax Increment Revenue Bond	Village, or its Community Development Authority	Water Infrastructure and Village Roads; Fiber Extension; Working Capital; Prof. Fees & Costs & Other Miscellaneous Expense	\$113.2M
Mid-2018	G.O. Bonds	Racine County	Water and Sanitary Sewer Infrastructure	\$62.6M
Early-2020	Utility Revenue Bond (Clean Water Fund Loan Program)	Village	Payoff of Revenue Bond Anticipation Note	\$53.7M
<b>Subtotal Projected Public Debt Financing</b>				<b>\$338.4M</b>
Less: Interim Financing				(\$53.7M)
<b>Total Projected Long-Term Public Debt Financing</b>				<b>\$284.7M</b>

**Table 3 - Projected County and Municipal Debt Obligations**

Timing	Instrument	Issuer	Funds	Estimated Amount
Early-2018	Mortgage Loan	Racine County & Village (Municipal Partnership)	Land Acquisition	\$58.0M
Concurrent with Development Agreement	Development Incentive ("Pay as you Go")	Village	Direct Development Incentive	\$100.0M
			Reimbursement for Special Assessments Paid	\$73.6M
			Reimbursement for Private Funds Committed to Land Acquisition	\$60.0M
<b>Total of Projected Other Obligations</b>				<b>\$291.6M</b>

**Table 4 - Other District Obligations**

Regardless of the pledged primary security, the Village intends to utilize tax increments collected to pay the debt service for all obligations issued to fund Project Costs. Additionally, land sale revenues received by the Village and County Municipal Partnership will be used to pay down the Mortgage Loan. Payments to Developer under the development incentive for reimbursement of special assessments and its upfront funding of a portion of total land acquisition costs is a contingent liability payable only after all annual debt service payments have been made, and only to the extent that total fund balances within the District exceed minimums to be specified in the development agreement.

## Developer Guarantee & Security Features

If the incremental valuation of the Project is less than \$1.4 billion in any tax year, Developer will be required by terms of the development agreement to make supplemental payments to the Village in an amount equal to the difference between the incremental taxes collected for the Project, and the taxes that would have been paid on the minimum required Project valuation of \$1.4 billion.

In addition to the developer guarantee of Project value, the Village and County will utilize or require the following to further protect the public investment in the Project:

- **State Moral Obligation Pledge.** The Act provides for the extension of the State of Wisconsin's moral obligation pledge as additional security for 40% of the total public debt issued to fund Project Costs. The Village intends to utilize this moral obligation pledge as additional security for the Tax Increment Revenue Bond expected to be issued. The moral obligation pledge requires that the State legislature consider appropriation of funds to pay the debt service in the event tax increment revenue collections are not sufficient to make debt payments.
- **Special Assessment.** The Village will levy special assessments against the properties conveyed to Developer for the Project to reflect the special benefit conferred on that property because of installation of public improvements. For a period of twenty years, the special assessment payments will provide an annual source of revenue in addition to tax increments that can be used to pay Project Cost debt service. Assessments paid by Developer may be later refunded if District cash flows permit.
- **Fund Balance Reservation for Debt Service.** Any funds remaining after the annual payment of debt service, Village public safety related operating and capital costs, and other direct expenses will be maintained in the District special revenue fund until the balance in that fund is equal to three years of debt service payments. No reimbursement payments to the Developer for its contributed land acquisition capital will be made until the balance in the fund exceeds the reservation amount for debt service.
- **Land Ownership.** Title to any land acquired within Areas II and III will be held by the Village for the benefit of the Joint Public Partnership formed by the Village and Racine County until either conveyed to the Developer for subsequent expansion or sold to another party.



Cash Flow

Village of Mount Pleasant, Wisconsin

Tax Incremental District # 5

Cash Flow Projection

Year	Revenues				Expenses				Balances								
	Tax Increments	Special Assessments <sup>1</sup>	Developer Capital Contribution	Other Revenues <sup>3</sup>	Total Revenues	Debt Principal & Interest <sup>2</sup>	Land Acquisition	Infrastructure & Related	Public Safety	Public Safety Capital Costs	Other Costs <sup>4</sup>	Development Incentives <sup>5</sup>	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2017	29,134,017	3,679,088	60,000,000	55,165,000	318,612,968	2,120,788	89,333,333	68,049,428	815,000	192,600	861,563	0	164,155,212	54,308,438	54,308,438	55,165,000	2017
2018	7,711,399	3,679,088		39,333,333	53,210,667	27,188,752	39,333,333	68,049,428	1,136,850	95,400	3,644,063	0	154,457,777	154,457,777	206,761,214	230,995,000	2018
2019	15,422,678	3,679,088		53,706,000	77,906,427	76,949,152	39,333,333	68,049,428	1,159,587	1,250,000	408,000	0	136,211,770	(109,248,232)	125,760,111	284,695,000	2019
2020	29,134,017	3,679,088		12,412,000	38,819,105	30,871,147	3,482,779	68,049,428	3,482,779	191,017	0	0	34,558,343	(13,044,578)	113,715,533	276,492,222	2020
2021	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	(1,647,486)	111,819,816	267,988,240	2021
2022	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,407,207	14,227,022	295,157,959	2022
2023	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,140,628	16,367,451	249,988,871	2023
2024	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,411,316	18,778,767	240,492,048	2024
2025	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,329,137	21,107,904	200,621,151	2025
2026	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,253,709	23,361,607	220,380,421	2026
2027	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,175,382	25,536,989	209,754,084	2027
2028	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,098,749	27,631,732	198,726,346	2028
2029	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	2,021,453	29,659,185	187,276,999	2029
2030	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,944,157	31,598,342	175,388,845	2030
2031	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,866,860	33,465,202	163,921,985	2031
2032	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,789,563	35,332,065	152,452,422	2032
2033	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,712,266	37,208,931	141,940,156	2033
2034	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,634,969	39,085,800	131,427,887	2034
2035	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,557,672	40,963,672	121,915,215	2035
2036	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,480,375	42,843,547	112,402,540	2036
2037	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,403,078	44,723,422	102,889,112	2037
2038	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,325,781	46,603,297	93,375,831	2038
2039	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,248,484	48,483,172	83,862,446	2039
2040	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,171,187	50,363,047	74,348,991	2040
2041	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,093,890	52,242,917	64,835,480	2041
2042	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	1,016,593	54,122,790	55,318,002	2042
2043	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	939,296	56,002,663	45,793,114	2043
2044	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	861,999	57,884,662	36,278,225	2044
2045	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	784,702	59,776,364	26,763,336	2045
2046	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	707,405	61,668,869	17,248,447	2046
2047	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	630,108	63,560,977	7,738,558	2047
2048	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	552,811	65,453,086	1,228,669	2048
2049	31,089,411	3,679,088		11,600,000	46,368,498	30,071,147	3,626,286		6,195,509	247,500	247,500	0	40,466,590	475,514	67,345,595	11,718,178	2049
<b>Total</b>	<b>855,682,127</b>	<b>71,581,750</b>	<b>60,000,000</b>	<b>396,395,000</b>	<b>1,488,788,532</b>	<b>567,607,920</b>	<b>168,000,000</b>	<b>204,148,284</b>	<b>100,190,930</b>	<b>8,147,109</b>	<b>22,078,978</b>	<b>233,381,750</b>	<b>1,233,754,921</b>	<b>16,353,716</b>	<b>54,949,782</b>	<b>42,678,000</b>	<b>2043</b>

Notes:  
<sup>1</sup>Special assessment to be levied against Project site for \$50M of public infrastructure costs. Assumes twenty year amortization at 4% interest rate with level payments.  
<sup>2</sup>Includes: proceeds of long-term debt issued by the Village and County; mortgage loan proceeds obtained by the Village and County Joint Partnership; and interim financing obtained in advance of securing Clean Water Fund loan financing.  
<sup>3</sup>Includes State Grant Funds (\$10M); interest earned on temporary investment of bond and loan proceeds; and land sale revenue.  
<sup>4</sup>Estimated principal and interest payments for long-term debt issued by the Village and County; mortgage loan proceeds obtained by the Village and County Joint Partnership; and interim financing obtained in advance of securing Clean Water Fund loan financing.  
<sup>5</sup>Includes: finance related expenses, professional services and administrative expenses.  
<sup>6</sup>Includes: \$100M development incentive payment plus reimbursement to Developer for special assessments paid (projected \$72.58M) and cash contribution (\$60M). Payments contingent on availability of funds and maintenance of a TID fund balance equal to three-years debt service.  
<sup>7</sup>Outstanding debt principal amount due on long-term debt issued by the Village and County. Excludes interim financing, mortgage loan financing and development incentive payments.

## SECTION 11: Proposed Zoning Ordinance Changes

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The District is being created by the Village under the authority provided by Wis. Stat. § 66.1105 and will be designated as an “Industrial District” based on a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wis. Stat. § 66.1101. Prior to Village Board adoption of the resolution creating the District, all 3,922 acres within the District will be rezoned to Business Park; an industrial zoning classification within the Village’s Zoning Code.

## SECTION 12: Proposed Changes in Master Plan, Map, Building Codes and Village of Mount Pleasant Ordinances

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Prior to Village Board adoption of the resolution creating the District, a portion of the territory to be included within the District will be identified as Business Park by amendment to the Village’s Master Plan. No further changes to the Master Plan, map, building codes, or other Village ordinances are required or anticipated for the implementation of this Plan.

## SECTION 13: Relocation

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Relocations will be involved in the execution of the development contemplated by this Project Plan. The Village of Mount Pleasant will retain relocation specialists to assist the Village in discharging these relocation responsibilities. All relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

## SECTION 14: Orderly Development of the Village of Mount Pleasant

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Creation of the District contributes to the orderly development of the Village by providing the necessary public infrastructure and services necessary to allow for manufacturing, office, commercial, and related development within areas identified as appropriate for such use within the Village's Comprehensive Plan. The development expected within the District will result in an increased Village tax base, an increase in employment opportunities, and increased economic activity within the Village, County, and region. The Village, through its implementation of this Plan and the exercise of its powers to regulate and manage the development of land, will ensure that the development that occurs within the District conforms to the Comprehensive Plan and all applicable Village ordinances, and occurs in an orderly fashion.

## SECTION 15: List of Estimated Non-Project Costs

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Non-project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TID funds.

### Examples would include:

A public improvement made within the District that also benefits property outside the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

A public improvement made outside the District that only partially benefits property within the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The Village does not at present expect to incur any non-project costs in the implementation of this Plan.

**SECTION 16:  
Opinion of Attorney for the Village of Mount Pleasant  
Advising Whether the Plan is Complete and Complies with  
Wisconsin Statutes Section 66.1105**

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Opinion Letter Located on Next Page

October 2, 2017

Village of Mount Pleasant  
8811 Campus Drive  
Mount Pleasant, WI 53406

Re: Project Plan for Tax Incremental District No. 5 of the Village of Mount Pleasant

Dear Sirs:

We have acted as counsel to the Village of Mount Pleasant in connection with the proposed creation of Tax Increment District No. 5 of the Village of Mount Pleasant and the preparation of the project plan for the District (the "Project Plan").

In this connection, we have reviewed the Project Plan, the law and such other documents as we deem necessary to enable us to give this opinion. 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, and express no opinion relating thereto.

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

Very truly yours,

**von BRIESEN & ROPER, s.c.**



Alan H. Marcuvitz

AHM:lyn

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Exhibit A:  
**Calculation of the Share of Projected Tax Increments  
 Estimated to be Paid by the Owners of Property in the  
 Overlying Taxing Jurisdictions**

Estimated Portion of Taxes that Owners of Taxable Property in each Overlying Taxing Jurisdiction would pay by Jurisdiction. (Per Wis. Stat. § 66.1105(4)(i)4.)						
	DOR Form PC-202 Year		2016		Percentage	
	Racine County		296,329		17.16%	
	Gateway Tech College		62,435		3.62%	
	Village of Mount Pleasant		590,047		34.17%	
	School District of Racine		778,232		45.06%	
	<b>Total</b>		<b>1,727,043</b>			
Revenue Year	Racine County	Village of Mount Pleasant	School District of Racine	Gateway Tech College	Total	Revenue Year
2020	1,323,124	2,634,592	3,474,849	278,775	7,711,339	2020
2021	2,646,248	5,269,184	6,949,697	557,549	15,422,678	2021
2022	3,969,372	7,903,776	10,424,546	836,324	23,134,017	2022
2023	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2023
2026	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2026
2027	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2027
2028	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2028
2029	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2029
2030	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2030
2031	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2031
2032	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2032
2033	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2033
2034	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2034
2035	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2035
2036	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2036
2037	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2037
2038	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2038
2039	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2039
2040	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2040
2041	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2041
2042	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2042
2043	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2043
2044	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2044
2045	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2045
2046	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2046
2047	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2047
2048	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2048
2049	5,334,371	10,621,749	14,009,370	1,123,921	31,089,411	2049
<b>Total</b>	<b>151,966,760</b>	<b>302,594,778</b>	<b>399,102,072</b>	<b>32,018,517</b>	<b>885,682,127</b>	<b>Total</b>

**EXHIBIT K**  
**TID PUBLIC IMPROVEMENTS**

See attached

## Village of Mount Pleasant, Wisconsin

### Tax Increment District # 5

#### Estimated Financing Plan

	BAN	RBAN	TIF Revenue Bond	G.O. Bond	G.O. Bond	EIF - CWFL <sup>2</sup>	
Type of Debt:	12/20/2017	5/1/2018	5/1/2018	5/1/2018	10/1/2019	3/1/2020	
Dated:	7 Year Interim	2 Year Interim	30 Years	20 Years	20 Years	29 Years	
Term:	2.25%	2.50%	4.00%	4.00%	5.00%	2.20%	
Assumed Rate:	County	Village	Village	County	County	Village	Foxconn Contribution
Issuer:							
Secured by:	G.O. Bond Takeout	CWFL Takeout	Tax Increments/ State Moral Obligation/ Developer Shortfall Guaranty	G.O. Pledge with TIF Abatement/ Developer Shortfall Guaranty	G.O. Pledge with TIF & Special Assessment/ Abatement/ Developer Shortfall Guaranty	Sewer System Revenues (Tax Increments)/ Developer Shortfall Guaranty	
Placement:	Public Market	Public Market	Public Market	Public Market	Public Market	State	
<b>Projects</b>							<b>Total</b>
Land Acquisition & Relocation Costs							
Area I	69,059,500						69,059,500
Area II & III Optioned Parcels					35,642,500		35,642,500
Area II & III Non Optioned Parcels	5,940,500			8,853,900	24,357,500		39,151,900
Water Extension			71,518,650				71,518,650
Wastewater Conveyance		43,364,800		28,000,000			71,364,800
Fiber			600,000				600,000
Contribution to DOT			11,500,000				11,500,000
TID Creation			100,000				100,000
Land Development			874,370				874,370
Soft Costs/Professional Fees			3,150,000				3,150,000
Land Acquisition Related Costs	1,060,050						1,060,050
Land Development Related Costs	874,370						874,370
Not Classified Elsewhere	565,580		2,584,420				3,150,000
Operating Costs							
Police Equipment			288,000				288,000
Fire Equipment			1,250,000				1,250,000
Operating Costs			2,759,850				2,759,850
Contingency @ 20%							
<b>Totals</b>	<b>77,500,000</b>	<b>52,037,760</b>	<b>112,690,778</b>	<b>62,681,100</b>	<b>0</b>	<b>0</b>	<b>60,000,000</b>
BAN/RBAN Takeouts					79,165,000	55,005,000	
Estimated Finance Related Expenses							
Estimated Cost of Issuance <sup>2</sup>	696,583	65,000	345,000	192,000	260,000		
Estimated Underwriting Discount		165,015	2,109,675	903,750	1,005,438		
Capitalized Interest	3,468,417	2,864,844	16,877,400	8,676,000			
Debt Service Reserve			8,901,300				
Total Financing Required	81,665,000	55,132,619	140,924,153	72,452,850	80,430,438	55,005,000	
Rounding/Interest Earnings <sup>3</sup>	0	{(2,619)}	(2,913)	{(12,850)}	4,563	0	
Net Issue Size	<b>79,165,000</b>	<b>55,005,000</b>	<b>140,645,000</b>	<b>72,300,000</b>	<b>80,435,000</b>	<b>55,005,000</b>	
PERCENTAGE OF PERMANENT FINANCING	Interim	Interim	40%	21%	23%	16%	

**Notes:**

<sup>1</sup>An ITA was submitted on 10/18/2017 for \$71.4M in CWFL loan funding.

<sup>2</sup>MA, Bond & Disclosure Counsel, Rating, Etc.

<sup>3</sup>Assumes temporary investment of proceeds for 3 months at 1%. (October 2017 LGIP rate was 1.04%).

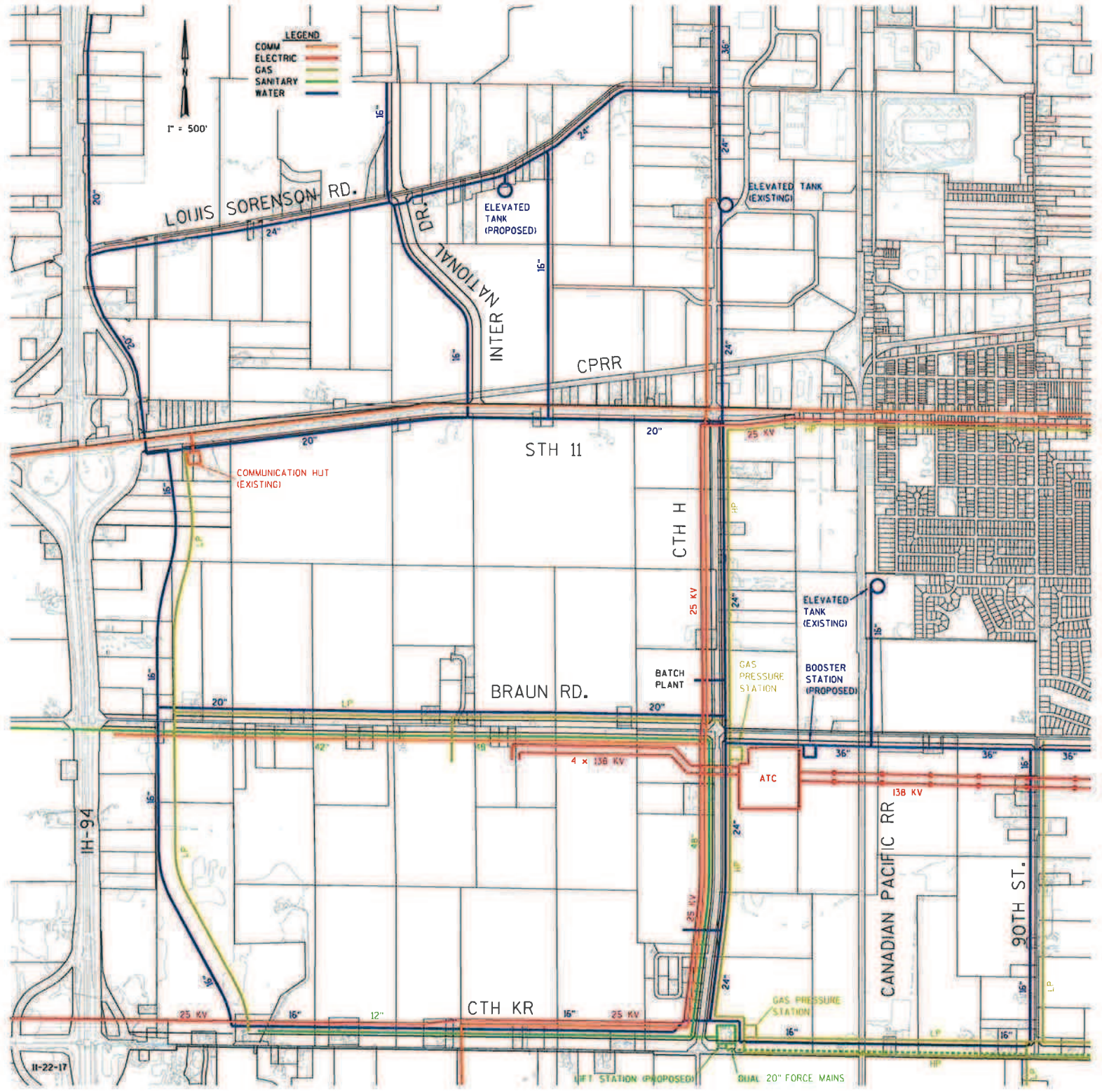


**EXHIBIT L**

**TID Public Improvements Plans  
including Master Roadway Plan and Master Utility Plan**

See attached

This will be subsequently updated.





**EXHIBIT M**  
**TID Public Improvement Completion Plan**

The Development Agreement provides that this Plan will be adjusted in cooperation between the Municipalities  
and the Developer  
[To Be Completed]

July 1, 2018	Land under First Phase Site Plan will have roadway access for grading and water may be provided by on-site wells. Grading by Developer.
July 1, 2018	Batch Plant construction for roadways will begin.
July 1, 2018	Roadway and utility access sufficient to allow pouring of foundations for LCM 1 Plant.
October 1, 2018	Roadway and utility access sufficient to allow pouring foundations for 818 Plant.

**EXHIBIT N**  
**The Village Development Work**

**[To be Finalized]**

-Village Delivery to Developer of all of the following documents and reports which Village has acquired regarding a parcel of land included in the Developer Options, and a reliance letter to Developer from the producer of that report:

-soil and geotechnical reports, Phase I and II and other environmental reports including any preliminary EIS reports, Historical Concern reports, including any archeological sensitive area search reports, EDR reports, Sanborn maps, surveys, 100 year flood plain and current site topography surveys, wetland mapping, reports on FAA height restrictions and mapping, stormwater management mapping and planning for capacity of existing stormwater management outflows, and determine current utility location and capabilities provide information Village has collected for water, wastewater, sewer, air, and other permitting.

-inventory of all likely environmental remediation tasks needed for that parcel (asbestos, well abandonment, tank removals, salvage yard potential issues, summarize remediation process and determine anticipated costs, and complete the remediation needed for that parcel.

**EXHIBIT O**

**Flow of Funds Chart and Ehlers Spreadsheet**

See attached

**EXHIBIT O**

<b>FLOW OF FUNDS CHART</b>				
	<b>Developer Available Tax Increment (from Area I Only)</b>	<b>Area I Special Assessments</b>	<b>Area II/III Special Assessments</b>	<b>Area II/III Land Sale Revenue</b>
First Priority	Annual principal and interest payments due on all Village/County debt (estimated at \$257 million in principal)  <i>(Shown as "Total Debt Service in Column 1 under Expenditures of "Example Only" on next page)</i>	Village/County debt to acquire Area I land (estimated at \$76 million)  <i>(Included in "Total Debt Service in Column 1 under Expenditures of "Example Only" on next page)</i>	Area II/III Financing of acquisition funds to acquire Area II/III land (estimated at \$15 million)  <i>(Included in "Total Debt Service in Column 1 under Expenditures of "Example Only" on next page)</i>	Repay Foxconn Developer Advance and Area II/III Special Assesments paid by Foxconn*
Second Priority	TID Operating Expenses  <i>(Shown as "Police Operating, Police Capital, Fire, Fire Capital and Professional Services" in Columns 6-10 under Expenditures on "Example Only" on next page)</i>			<i>(Included in "Capital Contrib Reimb and Special Assessment Reimb" in Columns 12&amp;13 under Expenditures of "Example Only" on next page)</i>
Third Priority	Foxconn Conditional Grant  <i>(Shown as "Foxconn Conditional Grant" in Column 11 under Expenditures of "Example Only" on next page)</i>			*Area II/III Available Tax increment from Area II and Area III parcels owned by Foxconn shall repay Developer Advance and Area II/III Special Assessments
Fourth Priority	Three years of outstanding debt service payments to be maintained in TID account			

	<p><i>(Included in "Cumulative Balance" on "Example Only" on next page)</i></p>			
Fifth Priority	<p>Reimbursement for Area I Special Assessments and Area II/III Special Assessments paid by Foxconn;  Reimbursement for Foxconn Developer Advance</p> <p><i>(Included in "Capital Contrib Reimb and Special Assessment Reimb" in Columns 12&amp;13 under Expenditures of "Example Only" on next page)</i></p> <p>Reimbursement for Makeup Payments made by Foxconn</p>			





**EXHIBIT P**

**Conditional Grant Terms**

1. Commencing in 2024 and for the nine years thereafter the Village will make a conditional grant in the amount of \$10 million per year to Developer (total of all grants = \$100 million).
2. In order to qualify for receipt of each annual Grant, Developer must meet the following conditions:
  - (a) Not be declared in default under the WEDC Contract, which default has not been cured, and not be in default under this Development Agreement for failure to make any payment under the Area I Special Assessment, the Area II/III Special Assessment, the Makeup Payments, and all other payments due under this Development Agreement, past any applicable notice and cure period; and
  - (b) Must have provided all reports required by Section IV paragraph 13 of this Agreement, referencing the WEDC Contract, evidencing full compliance with all employment requirements.

For additional terms, see Development Agreement, Section IV, paragraph 13.

**EXHIBIT Q**  
**Support Letters to Federal DOT**

1. Letter from Jonathan Delagrave, Racine County, Wisconsin, dated October 25, 2017.
2. Letter from David DeGroot, Village of Mount Pleasant, Wisconsin, dated October 24, 2017.

**EXHIBIT R**  
**Closing Condition**

**(To Be Finalized)**

At the time of each closing of a conveyance of a parcel of land by Village or the Commission to Developer, the parcel shall be in the following condition:

- The conveyance of the Parcel to Developer, or to the entity Developer designates.
- Zoned as provided herein.
- Free of any rights of possession, or required compensation.
- With an ALTA title policy or equivalent, in the amount of the value of the parcel, insuring title to the parcel in the grantee, free and clear of all liens and encumbrances, except municipal and zoning ordinances, the Area 1 Special Assessment or Area II/III Special Assessment, as applicable, real estate taxes in the year of closing (if closed in the same year in which Village obtained title, but prorated), any easements in connection with the TID Public Improvement Plan, and restrictions, covenants and conditions approved by Developer in writing.
- Village having razed all existing improvements on the parcel, including foundations to the surface level of the ground unless Developer waives this requirement (no Village obligation to grade land or to cut or fill).
- With the TIF Public Improvements completed, to the extent needed to provide access or utility services to that parcel, or commitments in place for that work, including obligations to complete them on a schedule which will allow Developer to construct and open operations on that parcel.
- Village will provide at Closing, a Warranty Deed, any ALTA survey which has been secured for that parcel, and such title affidavits and special assessment letters as are sufficient to delete the standard exceptions in the title policy, and any authority documents needed by the Title Company to remove the requirements.

**EXHIBIT S**  
**Limited Guaranty Agreement**

See attached



**LIMITED GUARANTY AGREEMENT**

THIS LIMITED GUARANTY AGREEMENT (this "Guaranty") dated as of \_\_\_\_\_, 2017 is from SIO International Holdings Limited, an exempted company with limited liability duly incorporated and validly existing under the laws of the Cayman Islands ("Guarantor"), to and for the benefit of the Village of Mount Pleasant, a Wisconsin municipal corporation ("Village") and Racine County, a Wisconsin municipal corporation ("County"); County and Village are collectively referred to as the "Municipalities").

**RECITALS**

A. Pursuant to that certain Development Agreement Foxconn Project of even date herewith (the "Development Agreement"), by and among the Municipalities and SIO International Wisconsin Inc., a Wisconsin corporation ("SIO"), FEWI Development Corporation, a Wisconsin corporation ("FEWI"), and AFE Inc., a Wisconsin corporation ("AFE"), (collectively, SIO, FEWI and AFE are collectively referred to as "Developer"), the Municipalities have agreed to acquire certain real property and arrange for and/or install certain public improvements and provide other benefits to Developer on the condition that Developer undertake and fulfill certain capital investment, employment, and other financial obligations set forth therein. SIO, FEWI and AFE are jointly and severally liable and responsible for all of the obligations of Developer under the Development Agreement.

B. Guarantor, directly or indirectly through affiliated entities, controls the voting interests of SIO and FEWI. Guarantor has committed to providing the funding necessary for SIO and FEWI to fulfill their obligations under the Development Agreement.

C. The benefits to be provided by the Municipalities under the Development Agreement will benefit SIO and FEWI in connection with the operation of their businesses, and as such, Guarantor will derive indirect benefit from the benefits to be provided pursuant to the Development Agreement which constitute adequate consideration for the Guarantor's entering into this Guaranty.

D. Pursuant to the Development Agreement, Developer, and specifically SIO and FEWI, may incur certain liabilities to the Municipalities related to obligations to make specific payments to the Municipalities. It is a condition precedent to Municipalities' agreement to enter into the Development Agreement and provide the benefits thereunder that Guarantor shall have executed and delivered this Guaranty to the Municipalities.

E. Pursuant to the terms of this Guaranty and subject to the exceptions set forth herein, the Municipalities must make written demand for payment from SIO and FEWI and provide SIO and FEWI with thirty (30) calendar days to satisfy such demand in full before making demand for payment from Guarantor.

## AGREEMENTS

In consideration of the recitals and to induce the Municipalities to enter into the Development Agreement and provide the benefits thereunder, Guarantor hereby agrees with the Municipalities for the Municipalities' benefit, as follows:

1. Capitalized Terms. Unless otherwise stated herein, capitalized terms used in this Guaranty shall have the meanings ascribed to them in the Development Agreement.

2. Limited Several Guaranty.

(a) Subject to Section 2(b) of this Guaranty, Guarantor hereby unconditionally, irrevocably guarantees to the Municipalities and their respective successors, endorsees, transferees and assigns, the prompt and complete payment by SIO and FEWI when due (whether at the stated due dates, by acceleration or otherwise) all of the "Secured Obligations" as hereafter defined. The Municipalities shall provide written demand to Guarantor of all amounts owing hereunder. Guarantor explicitly acknowledges and agrees that under the terms of the Development Agreement, SIO and FEWI are jointly and severally responsible for paying all Secured Obligations of Developer. All payments by Guarantor shall be paid in lawful money of the United States of America.

(b) The Municipalities hereby agree that, subject to the exceptions set forth in this Section 2(b), they will not make demand for payment from or otherwise proceed against Guarantor under this Guaranty unless they have first made written demand for payment from Developer, including SIO and FEWI, and have not received the full amount set forth in such demand within thirty (30) calendar days of making the demand. Notwithstanding the foregoing, the Municipalities retain the right to proceed against Guarantor without regard to the limitation set forth in the prior sentence (i) in the event of a default by Guarantor hereunder; (ii) in the event of insolvency of Guarantor; or (iii) if the failure to so proceed could cause the Municipalities to lose any rights or remedies at a later date.

(c) For purposes of this Guaranty, the Secured Obligations shall mean the obligations of Developer to: (i) timely pay the Area I Special Assessment and Area II/III Special Assessment; and (ii) satisfy the requirements of Section V, paragraph 6 of the Development Agreement to pay any Makeup Payments.

(d) Notwithstanding any provision of this Guaranty to the contrary, the obligations of Guarantor shall be limited and calculated as follows:

(i) the financial exposure of Guarantor under this Guaranty (the "Guaranteed Amount") shall initially be limited to \$40,000,000.00;

(ii) at such time as the Municipalities consummate the closing of the bond issues contemplated for the summer of 2018 in the approximate aggregate amount of \$257,000,000 necessary to fund their obligations under the Development Agreement (the "2018 Bonds"), the Guaranteed Amount shall increase by \$95,000,000.00, to a total of \$135,000,000.00, provided that the Municipalities have provided Guarantor and the Developer

sixty (60) days' prior written notice of the anticipated closing date for the first series of the 2018 Bonds;

(iii) the Guaranteed Amount shall be reduced by the amount of principal of the 2018 Bonds that can be serviced by annual Tax Increment from Area I, with such determination to be made by the Municipalities at such time as Developer provides evidence to the Municipalities reasonably satisfactory to the Municipalities of: the estimated taxable value of new development within Area I (which may be evidenced by construction contracts); that construction has commenced on such development; and that funds have been committed and are available to complete such development. Such reduction in Guaranteed Amount may be adjusted, if necessary, by January 31 of the year following completion of such development. By way of example (and the numbers used herein are only approximations used for purposes of example) assume that an annual payment of \$6,000,000 per year commencing in 2021 and for each year thereafter for the remaining term of the 2018 Bonds would be sufficient to pay the annual installments of principal and interest due on the principal amount of \$100,000,000 of the 2018 Bonds. If the Developer provides satisfactory evidence to the Municipalities that \$6,000,000 of Tax Increment in Area I will be available commencing in 2021, then the Guaranteed Amount will be reduced by \$100,000,000;

(iv) the Guaranteed Amount shall be further reduced by dollar for dollar based upon the fair market value of any alternative collateral provided to the Municipalities by Developer, such as cash deposits or first mortgage liens on other Wisconsin real estate located outside of the Project Areas (any mortgage lien must be insured by a mortgagee title insurance policy in favor of the Municipalities and supported by consideration to the mortgagor);

(v) the Guaranteed Amount shall be increased (but not by more than \$60,000,000.00) if any land in Area II or Area III that is acquired by the Municipalities with funds from the Developer Advance is conveyed to Developer for no payment from Developer and Developer does not provide additional collateral to the Municipalities equal in value to the land conveyed to Developer, as reasonably determined by the Municipalities.

(e) This Guaranty shall be in full force and effect upon the execution hereof, provided however that the Municipalities may only pursue enforcement of collection under this Guaranty pursuant to the requirements of Section 2(b) herein.

(f) This Guaranty shall terminate at such time as there is sufficient Tax Increment in Area I to service an amount of principal of the 2018 Bonds equal to:

(i) the then applicable Guaranteed Amount; plus

(ii) the maximum amount by which the Guaranteed Amount could be increased under Section 2(d)(v), above.

By way of example: Assume that as of July 1, 2020, pursuant to Section 2(d)(iv), above, Developer provides the Municipalities with a first mortgage on real estate with a fair market value of \$35,000,000.00. At that point the Guaranteed Amount would be reduced from \$135,000,000.00 to \$100,000,000.00, subject to increase pursuant to Section 2(d)(v), above. If

as of August 1, 2020, Developer has acquired all of the land purchased by the Municipalities with funds from the Developer Advance and has further provided the Municipalities with additional collateral equal in value to all of the land conveyed to Developer (such as a first mortgage lien on all of such land), then the Guaranteed Amount shall no longer be subject to increase pursuant to Section 2(b)(v). Thereafter, at such time as the Tax Increment in Area I is sufficient to service the annual principal and interest payments due on \$100,000,000.00 of the 2018 Bonds, this Guaranty shall terminate.

3. Absolute, Continuing Guaranty. This Guaranty is absolute, continuing and independent and shall not be affected, diminished, released or revoked for any reason whatsoever including but not limited to, the following:

(a) any invalidity, irregularity, illegality or unenforceability of the Development Agreement, any ancillary documents related thereto (collectively the "Transaction Documents"), this Guaranty, or any portion thereof;

(b) any failure or lack of diligence by the Municipalities to pursue collection or enforcement of the Development Agreement or any Transaction Document against Developer, except to the extent expressly required pursuant to the terms of Section 2(b) hereof;

(c) any modification, amendment, waiver or other change of the terms of the Development Agreement or the other Transaction Documents;

(d) any judicial, arbitral, administrative or governmental action or proceeding affecting any Developer entity, the Development Agreement, or this Guaranty including, without limitation, the release or discharge of any Developer entity's obligations thereunder or the rejection or disaffirmance of the Development Agreement, the Transaction Documents or any of their terms;

(e) any legal, equitable or surety defense, or any cessation of the liability of any of the Developer entities;

(f) any assignment or transfer of the Municipalities' rights under the Development Agreement or the Transaction Documents;

(g) any disallowance of the Municipalities' rights and claims against any of the Developer entities under the United States Bankruptcy Code, as amended, or under any other similar federal, state, local or foreign law, rule, regulation or ordinance;

(h) any waiver of any claim or defense that this Guaranty is no longer effective, in force, valid, or enforceable in the event there is a change in organizational structure or status of any Developer entity, whether by merger, consolidation, reorganization or otherwise;

(i) any waiver, compromise, settlement, release or termination of any of the Secured Obligations or the release of any other guarantor of the Secured Obligations;

(j) the voluntary or involuntary liquidation of, dissolution of, sale or other disposition of all or substantially all the assets of, cessation of business of, marshaling of assets

and liabilities of, receivership of, financial decline of, insolvency of, bankruptcy of, assignment for the benefit of creditors of, reorganization of, arrangement of, composition with creditors or readjustment of, or other similar proceedings affecting any of the Developer entities or any of their assets or any allegation or contest of the validity of the Secured Obligations or this Guaranty, or the disaffirmance or attempted disaffirmance of the Secured Obligations or this Guaranty, in any such proceedings; or

(k) any other circumstance which might otherwise constitute a defense or a discharge of any Developer entity other than payment in full of the Secured Obligations.

4. Waivers. As a further inducement to the Municipalities and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor irrevocably:

(a) Waives, disclaims and relinquishes any and all claims, whether based in equity or law, whether by contract, statute, or otherwise, that Guarantor now or hereafter may have against Developer including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, indemnification, or participation in any claim or remedy of the Municipalities against Developer, or any other security that the Municipalities now have or hereafter may acquire, but such waiver shall only be effective until the Secured Obligations have been paid in full;

(b) Waives diligence, presentment, demand for payment, filing of claims with a court in the event of bankruptcy of any Developer entity, protest, and notice of any default or nonperformance by any Developer entity;

(c) Except as required pursuant to Section 2(b) herein, waives any right such Guarantor otherwise might have to require the Municipalities to first proceed, and exhaust its remedies, against Developer, or any other guarantor, or any security for the payments and obligations guaranteed hereunder, or to pursue any other remedy that may be available to the Municipalities (whether at law or in equity);

(d) Waives any defenses arising from or relating to:

(i) any affirmative defense of any Developer entity or Guarantor;

(ii) any lack of authority of any Developer entity to enter into the Development Agreement or the Transaction Documents, or of Guarantor to enter into this Guaranty; or

(iii) any invalidity or illegality of the Development Agreement, the Transaction Documents, or this Guaranty; and

(e) Waives any and all other defenses, including legal, equitable, surety and affirmative defenses, offsets and counterclaims that any Developer entity or Guarantor now or hereafter may have against the Municipalities;



(f) Waives notice of acceptance of this Guaranty and all notice of the creation, extension, or accrual of any of the Secured Obligations; and

(g) Waives notice of acceleration of this Guaranty and notice of acceleration of the payments under the Development Agreement or any Transaction Document.

5. Liability of Guarantor. This Guaranty constitutes a guarantee of payment and not of collection. Accordingly, the Municipalities may enforce this Guaranty against Guarantor as set forth in Section 2 of this Guaranty. Guarantor shall not be entitled to satisfy its obligations under this Guaranty by contributing ratably with any other guarantor or otherwise paying less than the entire unpaid indebtedness comprising the Secured Obligations.

6. Subordination. Guarantor hereby subordinates any claims, demands and causes of action that Guarantor now or hereafter may have against any Developer entity to any claims, demands and causes of action that the Municipalities now or hereafter may have against any Developer entity for the payment of the Secured Obligations.

7. Continuing Guaranty. Except as provided in Section 2(f), this is a continuing Guaranty and shall not be revoked or terminated by Guarantor so long as any of the Secured Obligations remain outstanding or unpaid. Guarantor hereby acknowledges and agrees that this continuing Guaranty applies to and covers any and all future alterations, changes and modifications to the Development Agreement and any other of the Transaction Documents that now or hereafter may be agreed to by the Municipalities and Developer, regardless of whether such alterations, changes and modifications are agreed to by Guarantor. This Guaranty shall be reinstated if and to the extent that, for any reason, any payment of amounts owed to the Municipalities under the Development Agreement is rescinded or must be otherwise restored, whether as a result of any proceedings in bankruptcy, other insolvency proceeding, a reorganization or otherwise.

8. Authority to Change and Modify Agreement. Guarantor hereby authorizes the Municipalities, without notice or demand to Guarantor and without affecting Guarantor's liability hereunder:

(a) to change any of the terms and conditions of the Development Agreement or any other Transaction Document as long as the parties to such Development Agreement and Transaction Document agree to the change;

(b) to assign the Municipalities' right to collect the Secured Obligations to another unit of government of the State of Wisconsin, and each successive assignee may enforce this Guaranty for its own benefit with respect to the interests so assigned; and

(c) to receive and hold additional collateral or security for repayment of amounts due the Municipalities under the Development Agreement, any other Transaction Document, or this Guaranty, and to realize upon such collateral or security and to direct the order or manner of sale thereof.



9. Warranties and Representations By Guarantor. To induce the Municipalities to accept this Guaranty and enter into the Development Agreement with Developer, Guarantor hereby warrants and represents that:

(a) Guarantor has read, fully understands, and agrees to all of the terms and conditions set forth in this Guaranty;

(b) this Guaranty is valid and binding on Guarantor and enforceable in accordance with its terms, subject only to applicable bankruptcy, insolvency, reorganization or other similar laws affecting generally the enforceability of the rights of creditors;

(c) Guarantor is financially solvent and able to comply with all the terms and conditions set forth in this Guaranty;

(d) Guarantor has independently determined that SIO and FEWI are financially able to comply with all of the terms and conditions of the Development Agreement and all other Transaction Documents and in making those determinations, Guarantor has not relied upon any information furnished by the Municipalities in connection therewith;

(e) any financial statements and other information provided by Guarantor to the Municipalities are or will be complete and accurate in all material respects, and may be relied upon by the Municipalities in deciding whether to accept this Guaranty and to enter into the Development Agreement and other Transaction Documents with Developer. No material adverse change in the financial condition of Guarantor has occurred since the date of the most recent financial statements relating to Guarantor received by the Municipalities;

(f) Guarantor does not have any material liabilities, direct or contingent, except as referred to or reflected in the financial statements relating to Guarantor submitted to the Municipalities. There is no material litigation, legal or administrative proceeding, investigation or other action of any nature pending or, to the knowledge of Guarantor, threatened against Guarantor;

(g) Guarantor has filed or caused to be filed all tax returns and reports required to be filed and has paid all taxes, assessments, fees and other governmental charges levied upon Guarantor, when each has become due and owing;

(h) Guarantor is not in default under any indenture, mortgage, deed of trust, credit agreement, note, agreement, or other contract to which Guarantor is a party or by which Guarantor is bound, except for any such default that would not, individually or in the aggregate, have a material adverse effect on the financial condition of Guarantor;

(i) the execution and delivery and performance of this Guaranty and the consummation of the transactions contemplated hereby and thereby (i) will not violate any law or any order of any governmental authority, in each case applicable to Guarantor or by which any of its properties are bound or affected, (ii) will not require any authorization, consent, approval, exemption or other action by or notice to any governmental authority or (iii) do not and will not, with or without the giving of notice or the passage of time, conflict with, result in or constitute a breach, default, right to accelerate or loss of rights under, or result in the creation of any lien or

encumbrance pursuant to, [a] the terms or conditions of Guarantor's organizational documents or rules or policies of Guarantor or [b] any contract or instrument to which Guarantor is a party or by which Guarantor or its business are bound or affected; and

(j) the warranties and representations set forth herein are complete and accurate as of the date of this Guaranty, and shall survive the execution of this Guaranty.

10. Costs and Expenses. Guarantor agrees to pay all collection costs and expenses, including, without limitation, court costs and reasonable legal fees, that hereafter may be incurred by the Municipalities or successor of the Municipalities under the Development Agreement, or this Guaranty in connection with its enforcement of or collection of amounts owed by SIO and FEWI or Guarantor under the Development Agreement, or this Guaranty.

11. Financial Statements. For so long as Guarantor shall have any obligations or liability under this Guaranty, and as reasonably requested in writing by the Municipalities no more than once per year, Guarantor hereby agrees to deliver to the Municipalities financial information relating to Guarantor in a reasonable or customary form.

12. Events Requiring Performance. Upon the occurrence of all of the following events, subject to Section 2 of this Guaranty, Guarantor shall, within thirty (30) days after written demand therefor, pay to the Municipalities an amount equal to all Secured Obligations then due and owing, and unpaid, and the Municipalities shall be entitled to enforce the provisions hereof, and to exercise any other rights, powers, and remedies provided hereunder:

(a) an Event of Default (as such term is defined therein) occurs under the Development Agreement which causes the Secured Obligations to become due and payable; and

(b) the Municipalities have made written demand of the Developer, SIO and FEWI for payment of the Secured Obligations as provided in Section 2(b) herein, or have otherwise satisfied the conditions for demanding payment from Guarantor pursuant to Section 2(b), and amounts remain due and owing.

13. Remedies. No remedy herein conferred upon or reserved to the Municipalities is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or in equity or by statute or by contract.

14. Entire Agreement. This document contains the entire agreement of the parties concerning Guarantor's guaranty of the Secured Obligations. This Guaranty may not be amended, modified or altered except in writing signed by Guarantor and the Municipalities. This Guaranty benefits the Municipalities and their successors and assigns, and binds Guarantor, and its successors and permitted assigns; provided, however, Guarantor may not assign or delegate its obligations under this Guaranty. There are no other agreements or understandings between the Municipalities and Guarantor, and there are no conditions to this Guaranty beyond what is stated in this Guaranty.

15. Choice of Law. This Guaranty, and all disputes between a Guarantor and the Municipalities relating to or arising from this Guaranty or to the negotiation, performance or

enforcement of this Guaranty, shall be governed by and construed and enforced in accordance with the substantive and procedural laws of the State of Wisconsin, without regard to conflicts of laws principles.

16. Dispute Resolution. Any dispute, controversy or claim arising out of or relating to this Guaranty, its interpretation or enforcement, or the breach, termination or invalidity hereof, shall be referred to and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce (the "Rules") in effect as of the date hereof, by one (1) arbitrator appointed in accordance with the Rules. The place of arbitration shall be Mount Pleasant, Wisconsin. The arbitral proceedings shall be conducted in the English language. For purposes of the Rules, including Article 4 thereof, a party's address shall be that specified in Section 19 of this Guaranty, and all notices, requests, and other papers under the Rules sent to that address shall be deemed to have been received by the party and to be sufficient notice thereof. Each party shall cooperate with the other party in making full disclosure of and providing complete access to all information and documents requested by the other party in connection with such proceedings. The award in such arbitration shall be final and enforceable in any court of competent jurisdiction, it being the intention of the parties hereto to exclude in all arbitrations arising hereunder the right of appeal and/or reference. This arbitration agreement shall not impair the right of any party to seek injunctive or other equitable relief pending and/or in aid of arbitration. A request by a party to a court for such injunctive relief shall not be deemed a waiver of the obligation to arbitrate. In any proceeding brought to compel arbitration, the parties irrevocably consent to the jurisdiction of the Racine County, Wisconsin, Circuit Court. Both parties hereby waive any defenses they may have to jurisdiction and venue in the Racine County, Wisconsin, Circuit Court, including defenses based upon the inconvenience of the forum. Guarantor hereby unconditionally and irrevocably appoints CT Corporation Systems in the State of Wisconsin as its agent for purposes of service of process in any such proceeding. Nothing about this paragraph shall require any party to initiate a proceeding to compel arbitration before initiating, prosecuting, and confirming an arbitration pursuant to the Rules.

17. Limitation of Liability. GUARANTOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER FROM THE MUNICIPALITIES ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR ANY OTHER DAMAGES OF ANY OTHER NATURE OTHER THAN ACTUAL DAMAGES INCURRED OR SUFFERED BY GUARANTOR.

18. Severability. If any provision of this Guaranty is held invalid or unenforceable by any Governmental Body (as hereafter defined) of competent jurisdiction, such invalidity or unenforceability shall not invalidate the entire Guaranty. Instead, this Guaranty shall be construed as if it did not contain the particular provision or provisions held to be invalid or unenforceable, and an equitable adjustment shall be made and necessary provisions added so as to give effect to the intention of the parties as expressed in this Guaranty at the time of the execution of this Guaranty and of any amendments to this Guaranty. In furtherance of and not in limitation of the foregoing, the parties expressly stipulate that this Guaranty shall be construed in a manner which renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law. "Governmental Body" means any federal, state, local, municipal, foreign or other government; courts, arbitration commission,

governmental or quasi-governmental authority of any nature; or an official of any of the foregoing.

19. Notices. Any notice to be given pursuant to this Guaranty shall be deemed given and sufficient if in writing, when personally delivered, or three (3) days after being deposited in the U.S. mail, postage prepaid, by Registered or Certified mail, or when deposited with Federal Express, United Parcel Service, or Airborne Express (or other reputable courier service) for delivery by overnight mail, or when sent by facsimile actually received by the receiving facsimile machine, in the case of Guarantor, to:

In the case of Guarantor to:

SIO International Holdings Limited  
c/o Michael Best & Friedrich LLP  
100 East Wisconsin Avenue, Suite #3300  
Milwaukee, WI 53202  
Attention: Scott C. Beightol, Esquire  
Michael S. Green, Esquire  
Facsimile: 414-271-6560

and, in the case of the Municipalities to:

Maureen Murphy, Village Administrator  
8811 Campus Drive  
Mt. Pleasant, WI 53406

Jonathan Delagrave, County Executive  
730 Wisconsin Avenue, 10th Floor  
Racine, WI 53403

or to such other address or email address as Guarantor or the Municipalities may designate by notice to the other given in accordance with this Section.

20. Subject to Ratification. This Guaranty is conditioned upon ratification by the Audit Committee of the Board of Directors and the Board of Directors of the Guarantor and Guarantor will provide written evidence of such ratification to the Municipalities promptly upon such action.

21. Captions. The captions of this Guaranty are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.

*[signature page follows]*

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed on its behalf by its undersigned, duly authorized agent.

**SIO INTERNATIONAL HOLDINGS LIMITED**

By: \_\_\_\_\_

Name: Gou, Tai-Ming (Terry Gou)

Title: Authorized Signatory